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GUIDE

# 8 mobile metrics high-performing teams must track



In fall 2019, a prominent restaurant industry report predicted that "the only constant will be the speed of change and the hyper-competition the restaurant and food service industry will face."

The report was right, of course. But no one could have predicted just how fast that change would come on account of the Covid-19 pandemic. Restaurants were just the tip of the iceberg for this change—retailers, airlines, casinos, and countless other industries felt a dramatic pinch, according to S&P Global.

While many industries couldn't make a perfect pivot, the most successful ones were those that focused on mobile. Consumers spent a whopping 1.6 trillion hours on mobile in the first half of 2020, alongside a 220% increase in time spent in business apps such as Zoom and LinkedIn.

No matter what industry you're in-enterprise financial SaaS or direct-to-consumer energy drinks or organic carpet cleaning—the competition is fierce. For many teams, identifying and relentlessly pursuing competitive advantages means a renewed focus on mobile experience.

Customers now expect fast, seamless, and accurate ordering from their smartphones and tablets. Well-orchestrated, data-driven mobile apps can boost sales, foster brand loyalty, and drive revenue—three things that are imperative in industries with neck-and-neck competition. Despite this, the quality and effectiveness of an app is often an afterthought compared to desktop or mobile browser experiences. Releasing a mobile app is merely the starting point—not the finish line—especially in a world where more than a third of smartphone users would delete an app if they encounter a software bug.

As you start, scale, and see success with a mobile-focused strategy, keep your eye on the end goal. Smart teams know that developing and releasing a mobile app is just the first mile in the long journey to delivering a successful, five-star mobile app. One of the fundamental steps on the road to success? Identifying and tracking the right metrics.

## The mobile metrics your team must track

Though measuring your mobile experience might seem similar to analyzing your website, there are several key differences.

Here are some of the most important KPIs and user engagement metrics FullStory clients leverage in measuring their mobile apps.



#### Mobile downloads

It feels obvious. The number of times that an app is downloaded, the more popular it is with users. After all, the number of downloads of a mobile app is directly proportional to the success of the app in most cases. Imagine having a million downloads over a period of six months. Think of all those customers!

While important, the number of mobile downloads is not the only thing teams should measure. Look at other types of engagement once someone downloads the app. Are users interacting with the app? What does conversion look like? Mobile downloads may be the topmost performance metric of a mobile app, but it's just one factor in measuring overall app success.



#### **Uninstalls**

Though a user has downloaded your mobile app, their initial excitement to place an order might dwindle after a month. Industry research firm Singular reports the average rate of uninstalls (a complete deletion of an app from a device) across all mobile operating systems is 36.4%. In other words, for every 100 times an app is installed, 36.4 uninstalls—a complete deletion of an app from a device—will follow.

Uninstalls are inevitable. However, if there are more people uninstalling the app than there are installing it, that poses a risk to your long-term success. You need to uncover the reason(s) people are abandoning your app. Does the app not satisfy user expectations? Is the app irrelevant for the user? Does it use too much memory, draining battery power?

Each uninstall is an opportunity for learning and, in addition to measuring things like system performance, understanding user engagement can provide valuable insights. Engagement is an important metric to gauge the health of the app, and, when combined with other metrics, is a critical piece in understanding the users' experience. The more users are engaged with your app, the less likely they are to churn, and the more money they're likely to spend with your business.



#### **Retention rate**

Retention rate measures how many users continue using your application after using it once or twice. Without a retention strategy in place, you'll likely find it difficult to keep your users interested in your app. For example, a customer downloaded your app during quarantine for touch-free purchase. With the ongoing evolution of restrictions, will that same person use the app moving forward?

A "good" retention rate for a mobile app depends on many factors: the business model of the application, user base, niche, etc. SaaS-based businesses, for example, may measure retention in terms of subscription. An app that is useful only during specific times of year-like a holiday game-will have a lower retention rate during months when there are no holidays.

Although exact benchmarks vary by industry, a recent report from Geckoboard <u>states</u> that mobile apps on average have a 30-day retention rate of 42% and a 90-day retention rate of 25%. The average 30-day rate broken down by industry ranges from 27% to 43%, but for higher performing apps, that range is 32% to 66%.

Remarketing, in-app messaging, push notifications, smooth onboarding processes, and predictive insights can increase your retention rate. Each is a part of the digital experience worth watching.



#### **Churn rate**

A companion metric to retention is churn, or the percentage of users who stop using an app after a certain period of time. The retention rate is the percentage of people who continue to use your app over a given period of time (week, month, or quarter). This is the inverse of user churn. As illustrated above, if your 90-day retention rate is 25%, then your churn is 75%.

Churn is even more significant when it's your best or most active users (e.g., top revenue-generating users) who are abandoning your app. If there were 100 customers in a restaurant and 75 left without ordering anything, that would raise some eyebrows.

Churn rate is governed by many factors: a confusing customer onboarding process, lack of desired features, generally poor user experience, etc. It goes without saying that you want your mobile app retention to be high and your churn low. Additionally, if you want your app to grow, the number of users who leave should be lower than the number of new users. As such, reducing churn rate can improve retention and drive revenue for your business.



#### **Sessions**

The number of sessions measures the number of times a user opens or interacts with your mobile application. Technically speaking, digital analytics defines a session as a user- or device-specific group of interactions that occur on your website or app within a given time frame. Generally speaking, the more sessions a user generates on your app, or the greater the app's stickiness, the better.

Active users are those who launch your mobile app every day and perform some kind of action on it. If you see a decline in your daily or monthly active users, you may need to explore different strategies to market the app to those who have already downloaded it. Many businesses consider daily users as their primary metric to measure app growth and engagement.



#### **Session intervals**

Session intervals are another important metric for helping you understand how frequently your customers are opening your mobile application, and measuring the time between the user's first session and his or her next one.

Session intervals can serve as a great early indicator for retention. When you know the typical time lapse between sessions per user segment, you can quickly spot any changes and proactively optimize the user experience to prompt regular opens.

For example, if you notice the sessions of tablet users are longer than those of smartphone users, it might be that you need to improve screen flow or design in your tablet app. It could also be an indication that you should consider adding contextual in-app or push messaging to encourage more immersive interaction on a regular basis. Either could lead to a positive change in terms of shortening the interval between sessions for those tablet users.



#### Session length and depth

In addition to sessions and session intervals, it's important to understand the details behind a session.

Session length, defined as the total time users spend on your app per session, can show how engaging your app is, while session depth is a metric that tells you how close your users were to the target action, such as cart checkout. (If you need a quick benchmark to vet your own performance, <u>Statista</u> reports an average session time for mobile shopping apps at five minutes and 28 seconds.)

Session length provides product managers with valuable insight into the user experience. For example, session length can be used to correlate the time users invest in the app with the quality of the experience.

But session length might be misleading in terms of engagement. Many might think that a longer session length is desirable. For many businesses, long sessions imply that there might be problems with user experience, that the user is struggling with solving their problems quickly. For example, customizations may drive excess time and create confusion, or a poorly functioning store locator may require input of multiple addresses.

Session depth offers an interesting alternative, or companion metric, to show how successful a session has been for your user. Session depth is defined as the number of successful interactions per session–for example, how many steps in a checkout flow the customer completed before abandoning an order.



#### Heatmaps and user session recreations

The quantitative measures offered by the metrics above offer one part of the equation. Recreating the user session and watching how the user interacts with the app can be invaluable in illustrating how an app makes a user feel and how enjoyable-and effective-it is to use.

Heatmaps track the areas on a screen that users interact with the most. User recordings, on the other hand, monitor the actual user as he or she interacts with the app. Heatmaps are useful for seeing which features they spend more time on and which features they miss. Use these metrics to understand why particular things happened and to help inform theories about the causes of any friction, frustration, and problems. Examine how long particular tasks take. The time spent on a task can indicate if something is particularly difficult or confusing for users. It can also show if something is fun, engaging, and easy.

### You can't manage what you can't measure

Mobile app data informs smart decisions, but only when that data is gathered and utilized correctly.

The above outlines some of the most common metrics for measuring your mobile app performance—but it's important to ensure that the KPIs you're tracking are in alignment with your business's specific business goals. With the pros and cons of the most relevant mobile app metrics laid out, your team can align on each one and establish a clear view of how user experiences perform and how you can most effectively optimize them.

With FullStory's Digital Experience Intelligence (DXI) platform, teams can effortlessly uncover the qualitative and quantitative data behind mobile apps, yielding actionable insights for teams.

# **About Fullstory**

FullStory's Digital Experience Intelligence platform enables businesses to continuously improve their digital customer experience across sites and apps. The platform proactively surfaces actionable insights from billions of data points, helping thousands of companies, including Fortune 100 companies and the world's most innovative consumer brands, make evidence-based digital improvements that reduce costs and reclaim revenue.

The company is headquartered in Atlanta and privately held with backing from Permira, Kleiner Perkins, GV (formerly Google Ventures), Stripes, Dell Technologies Capital, and Salesforce Ventures. For more information, visit **www.fullstory.com**.

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