



SHOPPING THE BEST MOBILE MARKETING KPIS:

THE MOST IMPORTANT METRICS FOR RETAIL APPS

TUNE



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The most important metrics for retail apps

If 2015 was the year mobile went global, 2016 was the year mobile commerce moved into the fast lane. Mobile commerce now accounts for 34% of all e-Commerce transactions globally, and is growing more than 200% faster than traditional e-Commerce.

But measuring success in mobile presents unique challenges for retailers, whether they're mobile-first or brick-and-mortar stores gone mobile. And even if marketers *could* track everything, it's challenging to understand which measurements are actually meaningful to a company's bottom line. In this tip sheet, we break down which mobile marketing KPIs mobile retailers should focus on to get the most bang for their buck.

Top retail mobile marketing KPIs to buy into

When measuring mobile marketing KPIs, you'll want to think about KPIs for each stage of the mobile marketing funnel: discovery, conversion, and engagement/retention. It's not enough for users to find your app; to be a truly effective retailer, you'll also want to make sure they return to your app time and again to browse products and make purchases. Here are important KPIs to consider for each stage of the mobile marketing funnel.

STEAL OF A DEAL

Want to brush up on your understanding of the mobile marketing funnel, and how it differs from traditional marketing? Download the e-book, "[Deconstructing the Mobile Marketing Funnel](#)." The best part — it's free!

Metrics vs. KPIs: what's the difference?

You may have heard the terms "metric" and KPI" used interchangeably. But they're actually very different terms that will make it harder to reach your goals if not understood correctly.



A metric is anything that can be measured (such as installs, click-through-rates, and impressions) while a key performance indicator (KPI) is a metric that tracks progress toward your goals. So all KPIs are metrics because they measure something — but a metric is only a KPI if it's helping you reach a specific objective.

Top KPIs for Retail App Discovery

App downloads

This is the most basic—and broadest—potential KPI for your campaign. However, focusing on downloads without paying attention to other details may result in a lower quality, less engaged user base. It's important to not only get users to discover and download your app, but to measure their future engagement through in-app events and purchases.

Cost per install (CPI or CPA)

A measure of the cost to a marketer for each user that installs their mobile app. By focusing on the right mix of paid and organic acquisition, marketers can reduce their overall cost per install. In fact, we've found that **for every paid install, an app gets another 1.5 users organically.**

App store category rank

More than 65% of app installs come from customers searching app stores. Ensure your app is discoverable by measuring your app store rank. Pro tip: to reach top 10 in a category, apps need to rank in the top 10 for 60 to 100 search terms.



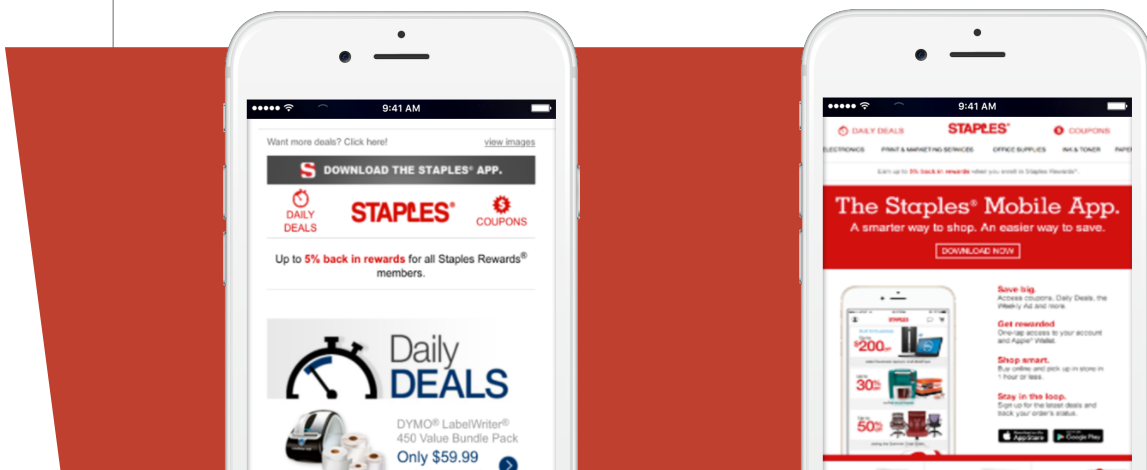
*Being featured in the app store is a big win... We see that when we are featured in the app store, we get a **2.5X increase** in downloads.*



GWEN MURRAY,
MOBILE MARKETING LEAD AT STAPLES

APP SPOTLIGHT

Even companies that were built before apps existed recognize the importance of mobile marketing to meeting their overall business objectives. Major office-supply retailer Staples increases downloads by promoting its app in banner ad campaigns, emails, SMS messages, and mobile web. Then they use the app to drive in-store visits, expedite digital orders, and increase revenue.



Top KPIs for Retail App Conversion

Conversion rates

Converting an app store visitor into a customer is the major goal of mobile marketers. A conversion comes in many forms; as a retailer, all of the following could count as meaningful conversions:

- In-app purchases
- Account activations
- Items viewed
- Items added to cart
- Credit card added



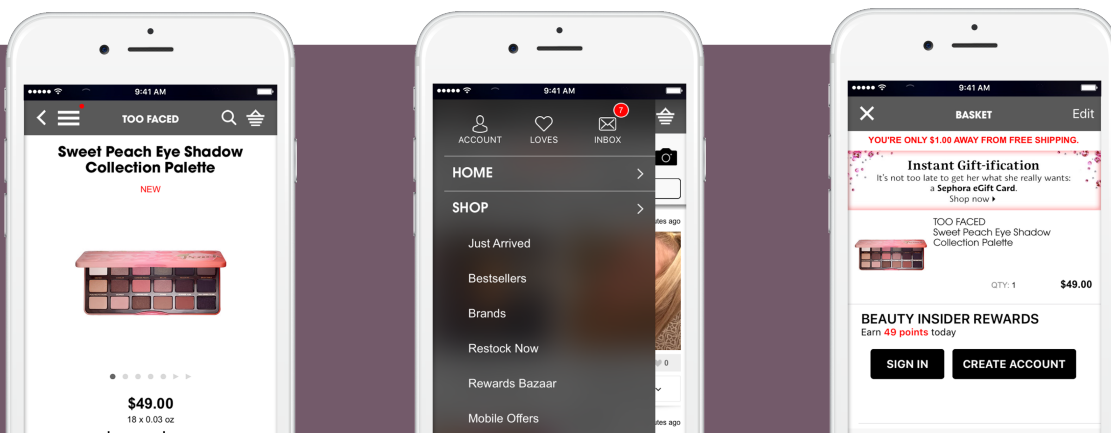
Oftentimes, retailers want to know which items were purchased in a single transaction. For this reason, a solution like **Attribution Analytics** allows marketers to track “**Event Items**,” which assigns unique attributes per item, measuring things like the item name, unit price, quantity, and more. That way retailers gain insight not only into which customers are making purchases, but what those purchases contain at a granular level.

APP SPOTLIGHT

Sephora’s app has conversion KPIs in the bag. Marketers can measure which users:

- View products
- Add items to their basket
- Save products as favorites
- Search for items
- Share products via email, message, or social media
- View bestsellers, brands, mobile offers, videos and more
- Give product reviews
- Sign up for an account

From the second users sign in, they’re invited to allow push notifications, enable the app to view their location, and signup or link their beauty insider account — transforming the app from something users only download, to something users convert from the second they install it.



STEAL OF A DEAL

Ensure you’re maximizing conversion KPIs by implementing these in-app marketing tips: “**Using Re-Engagement to Keep Your Users Coming Back.**”

Top KPIs for App Engagement & Retention

Retention rate

The percent of users who keep your app over time. If your app has a strong retention rate, that means users are frequently opening and using your app over a sustained period of time. And the higher the usage, the more likely they are to make in-app purchases.

Monthly active users

The amount of users who open your app each month.

User lifetime value (LTV)

The estimated net profit from the entire relationship with the users.

Average revenue per user (ARPU)

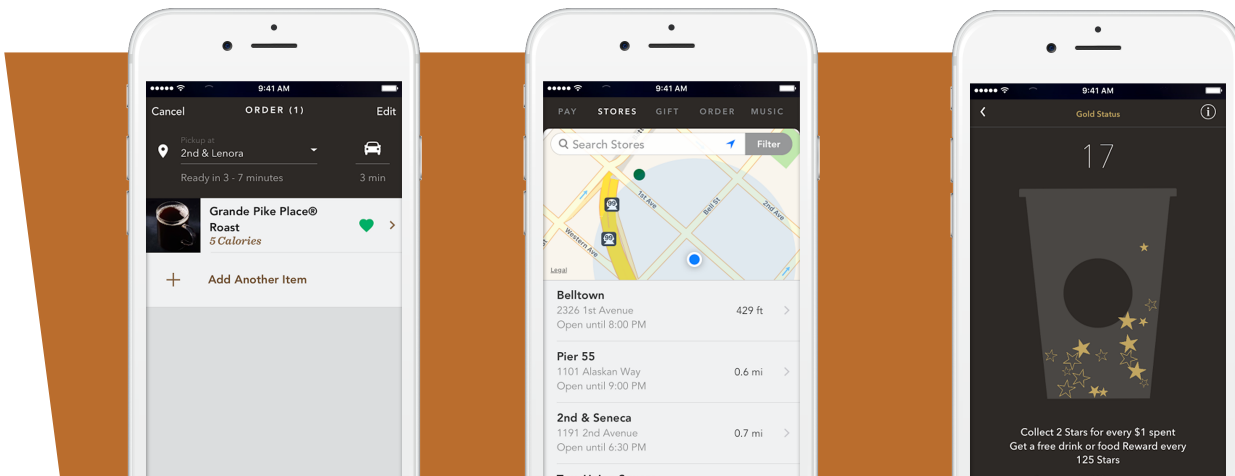
The total revenue for a given period of time divided by the number of active users in an application. ARPU is useful as an indicator of the overall health of the business, or as a means of distinguishing the relative value of different segments of users. For example, comparing the ARPU for a set of users acquired from one partner versus another partner provides insight into the relative value of marketing efforts with these two partners.

APP SPOTLIGHT

We're not just partial to Starbucks because it's our Seattle neighbor; the app is consistently a frontrunner when it comes to engaging users. The app incentivizes users to return to it by:

- Offering star rewards for purchases
- Pinging users when they're near a Starbucks store
- Enabling users to save favorite drinks for easy ordering
- Allowing digital drink ordering for faster in-store pick-up
- Remembering credit cards for easy ordering

This adds up to increased lifetime value and revenue per user, not to mention happy customers.



STEAL OF A DEAL

See how to connect mobile strategy to your overall retail marketing strategy in the webinar, “[Metrics that Matter: Mastering Mobile Marketing KPIs](#),” featuring actionable tips from marketers at Staples, TUNE, and VentureBeat.

A mobile strategy that sells



While the KPIs above will give you a good sense of how your app is performing, in reality there are dozens more you could choose from based on your goals, industry, and product. To ensure you’re maximizing KPIs at every stage of the mobile marketing funnel, choose a mobile analytics partner that has a solution for every stage.

The TUNE Marketing Console provides tools through discovery, conversion, engagement, and retention. Check out this infographic, “[Marketing Your App Through Its Lifecycle](#),” to learn more, or [get a free trial](#) today.

