Apps: How to realize their full value

Retail, Singapore
Background & Methodology
Understand how apps can help improve business brand, growth, and revenue, particularly in light of changing behaviour as a result of COVID-19, by exploring the different and developing customer engagements on apps.

Part of a larger consumer research conducted among mobile app users covering Retail, Telco, and Finance verticals. n=1000 for Singapore Quantitative with 2 playgroups (n=4, each) per vertical for Qualitative. Research covered 9 brands and their respective apps*.

Quantitative
- Around 75% of respondents are retail app users
- Frequent internet user
- 18-64 years old smartphone user
- Interacts with vertical via app

Qualitative
- Mixture of male and female heavy app users
- Light retail users: Use retail apps 1-3x a month and conducts 4 different app activities
- Heavy retail users: Use retail apps at least once a week and conduct 4 different app activities

* Sephora, Adidas, Courts, Hipvan, Ikea, Uniqlo, Decathlon, Fairprice, Castlery
### Who are generally using retail apps?

#### Profiling

<table>
<thead>
<tr>
<th>Gender</th>
<th>Male</th>
<th>Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>45% Male</td>
<td>54%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Age Group</th>
<th>18-34</th>
<th>35-64</th>
</tr>
</thead>
<tbody>
<tr>
<td>41%</td>
<td>59%</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Income Range</th>
<th>Below S$3,999</th>
<th>S$4,000 - S$5,999</th>
<th>S$6,000 - S$8,999</th>
<th>S$9,000 - S$11,999</th>
<th>S$12,999 or more</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>16%</td>
<td>16%</td>
<td>24%</td>
<td>20%</td>
<td>19%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Internet Usage</th>
<th>Daily</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>97%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Operating System</th>
<th>iOS</th>
<th>Android</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>37%</td>
<td>63%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Smartphone Storage</th>
<th>Under 16GB</th>
<th>16GB</th>
<th>32GB</th>
<th>64GB</th>
<th>128GB</th>
<th>Over 128GB</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>4%</td>
<td>5%</td>
<td>11%</td>
<td>24%</td>
<td>38%</td>
<td>15%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Connection Devices</th>
<th>Smartphone</th>
<th>Tablet</th>
<th>Laptop Computer</th>
<th>Desktop Computer</th>
<th>Smart Speaker</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>100%</td>
<td>48%</td>
<td>82%</td>
<td>39%</td>
<td>19%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Prepaid vs Postpaid</th>
<th>Advance top up online</th>
<th>Advance top up in-store</th>
<th>Contract/Fixed bills</th>
</tr>
</thead>
<tbody>
<tr>
<td>Percentage</td>
<td>12%</td>
<td>3%</td>
<td>85%</td>
</tr>
</tbody>
</table>

Think with Google
What insights did the research aim to uncover?

01. What constitutes an ‘effective’ retail app for app users?

02. How do app users perceive businesses who have an ‘effective’ app?

03. What is the link between an ‘effective’ app and business outcomes?

04. How are individual brands performing?

05. Deep dive into consumer app behaviour: types of app activities, frequency of usage and reasons for install, deletion and usage.

06. What impact has the pandemic had on consumer behaviour in retail apps?

07. What are the current and future payment habits of consumers who purchase retail products?
Summary of Findings
Introducing our 3 behavioral pillars that drive value for a brand in a consumer's app journey

**App Discovery and Onboarding**

Has the app been trialled following awareness and install?

**Key for App Discovery and Onboarding**

Consumers are beginning to form **affinity** with brands, which are aiming to create positive links to discovery metrics before engagement deepens.

**App Engagement**

How frequently is the app used?

**Key for App Engagement**

Consumers are using the app more frequently. Regular app usage links to increased **loyalty** and brand **satisfaction**.

**App Satisfaction**

How satisfied is the app user with the app?

**Key for App Satisfaction**

When consumers are highly satisfied with the app they will begin to **recommend** both the app and brand - which will help bring in more consumers to start their own **discovery** journey.

Think with Google
Introducing our 3 behavioral pillars that drive value for a brand in a consumer’s app journey

Stages of App Discovery and Onboarding, App Engagement, App Satisfaction

**App Discovery and Onboarding**

- **Initial Awareness**: shift between “Never heard of app” and “Heard a little”
- **Deeper Awareness**: shift between “Heard a little” and “Heard a lot”
- **Installation**: shift between “Heard a lot” and “Installed but not used”
- **Onboarding**: shift between “Installed, not used” and “Tried app, still installed”

**App Engagement**

- **Regular Usage**: shift between “Tried app, still installed” and “Use regularly”
- **Most Frequent**: shift between “Use regularly” and “Use app most often”

**App Satisfaction**

- **Neutral**: shift between “Dissatisfied (1-6)” and “Neutral (7-8)”
- **Positive**: shift between “Neutral (7-8)” and “Satisfied (9-10)”
App Discovery and Onboarding: Key insights and recommendations

Insights

- 80-95% of retail brand’s customers are aware of retail apps surveyed
- On average, 42% of recent retail brand users are not using the respective apps
- App discovery is a starting link to building brand affinity
  - 58% of positive onboarders have strong brand affinity
  - 21% of positive onboarders “love” the brand
- 31% of App users have installed at least one retail app but never used

Recommendations to improve brand metrics

- Focus less on awareness of the app as awareness is high
  Time is better spent on promoting install or onboarding
- Focus more on improving trial and onboarding
  - Enticing offers and promotions can encourage installation and trial within a very competitive category in a market where offline transactions are still the preference
  - Primary categories for app usage are beauty and health
- Further encourage installation by promoting influential yet underutilized touchpoints
  E.g. staff recommendations, app stores, news articles
App Engagement: Key insights and recommendations

Insights

- App engagement has a positive correlation with brand satisfaction and loyalty
  - 53% “most frequent” users are satisfied with the brand and 97% “most frequent” users are “quite or very likely” to stay with the brand
- 62% of app users prefer to engage via apps. Users find apps quick, easy and safe. Many have multiple apps installed
- Over 70% hold a preference for using apps to check offers, write reviews, save items and redeem rewards
- App users are encouraged to continue usage when apps are proven to be secure (50%), when the app is updated regularly (37%), and takes up less memory (31%)

Recommendations to improve brand metrics

- **Promote money saving features that keep app users coming back**
  Consumers regularly look for discounts (76%), check or redeem rewards (56%) and look at exclusive offers (37%)
- **Make it easy for consumers to perform app activities they do regularly such as browsing, and promote these activities**
  - Consumers regularly browse (49%), read reviews (42%), compare products (38%), search for photos (31%)
  - Use app advertising solutions such as deep linking and feeds to make your products more discoverable
App Satisfaction:
Key insights and recommendations

**Insights**

- App satisfaction is **strongly correlated** with brand recommendation - **93%** who rate an app as “perfect” are likely to recommend and promote a brand.
- **59%** of app users would **prefer a multi-functional singular app** compared to multiple single purpose apps (41%).
- Apps are seen as a convenient and safe channel:
  - **88%** agree apps can be used anytime, anywhere.
  - **82%** agree they are more convenient than in-store.
  - **81%** agree apps keep them safe in Covid.

**Recommendations to improve brand metrics**

- **Get the basics right, consistently**
  Ensure **critical tasks** (e.g. reviews, photos, browsing) are reliable, seamless & elicit high satisfaction.
- **Reduce frustrations so app switching does not occur**
  Bugs and poor interfaces quickly put users off. App complexity is also a concern.
- **Innovate to meet consumer needs**
  Shoppers in Singapore are quite tech savvy - frustrations aren’t as obvious as they appear, so brands need to continue to innovate in anticipation of consumer needs shifting. Areas of focus could include quality of life (push notifications on re-stocking), updating security processes, and implementing tech innovations (VR, AR, QR scanning).
There is a strong relationship between brands metrics and app usage. Increase in brand metrics are evident as a user engages more with the app.

Unaware of app
Initial Awareness of app
Deeper awareness of app
Successful App Onboarding
Use app regularly
Use app Most frequent
Rated as great app (top2box)

App Discovery and Onboarding
App Engagement
App Satisfaction

Brand Metric

App Familiarity

Satisfied $R^2 = 0.919$ (likelihood of being satisfied with an app)
Retention $R^2 = 0.8898$ (likelihood of retaining an app)
Brand Promoter $R^2 = 0.9386$ (likelihood of promoting a brand to friends and family)
Brand Affinity $R^2 = 0.9427$ (likelihood of loving a brand)
App Discovery and Onboarding

How does awareness and onboarding of an app impact brand metrics?
One of the highest increases in brand affinity occurs when a user transitions from install to successfully onboarding on an app.
Having an app promotes progressive perceptions of the brand

For brick-and-mortar stores, having a shopping app has positive implications on a brand. Brands with an app are perceived to be progressive and it is increasingly an expectation of a high performing brand to reach out to consumers through multiple touchpoints.

“I think in this time and age, it’s important for brands to do this [come up with a shopping app]. Everyone is online. They will lose out on customers like us. Look at what happened to app A.”

- Light app user
Consumers trust and are influenced by the opinions of those close to them.

**Crucial Discovery Touchpoints**

Touchpoints that are frequently used and influential in installation decision making.

<table>
<thead>
<tr>
<th>Online</th>
<th>Offline</th>
</tr>
</thead>
<tbody>
<tr>
<td>N/A</td>
<td>Family / friends recommend them</td>
</tr>
</tbody>
</table>

Source: CJ5. How do you typically find out about new apps? Total Sample = 350
CJ6. How influential are these in persuading you to install apps?
The app store can also complement word of mouth recommendations.

App Discovery and Onboarding

Niche Touchpoints

- Offline advertising
- Through news articles
- Staff recommend them
- Featured apps within app stores

Crucial Touchpoints

- Friends/Family recommend them
- Advertising on video sites (e.g., YouTube)
- Reading reviews online
- Through brand websites
- Search engine results

Less Influential

- I see it shared/talked about on social networks
- Advertising on search engines
- Searching within app stores
- Advertising on websites

Secondary Touchpoints

Opportunity Discovery Touchpoints

Touchpoints that are frequently used and influential in installation decision making

Online

- News Articles
- Featured apps within app stores

Offline

- Offline advertising
- Staff recommendations

Source: CJ5. How do you typically find out about new apps?
CJ6. How influential are these in persuading you to install a app? Total Sample = 350
Apps are seen as an additional touchpoint to engage with a brand

First-time discounts and referral promotions drives app discovery

Singaporeans are used to brands providing exclusive offers on apps to encourage usage - unsurprisingly, exclusive app-only deals and promotions help drive app discovery and onboarding.

“The latest app I downloaded was app A. My colleague told me to download so that he can get the $5 referral.”

- Heavy app user

Apps are an additional touchpoint to engage with brand

Consumers appreciate being able to browse and learn about new products in their own time and comfort, instead of going into the physical store.

“If I heard about the app, I would have downloaded it. I like to view the products at my own time (even on the train) and I don’t have to walk around the whole store to browse.”

- Heavy app user

Apps are used to keep updated on latest events and promotions

Consumers want to get alerts about both online and instore activities / promotions - which in turn, drives them to visit stores.

“For app B I have never made a purchase on the app, but I downloaded it because I get information about which outlets have the collections I’m interested in, and what promotions is happening in store... so I know which store to visit.”

- Heavy app user
Installation does not equal trial; many have unused apps installed due to other options or perceived complexities

31% have installed at least one retail app but never used

Reasons to install but not use

- I use a different app instead: 31%
- I haven't had the time: 28%
- The sign up process looks complex: 17%
- The app design or user experience is complicated: 17%
- It is too risky to sign up to new products during Covid-19: 9%
- I don't understand what the app provides me: 9%
- I need someone to help me / teach me more: 6%
App preference is the strongest for beauty and health products, as in-store still reigns supreme across categories.

<table>
<thead>
<tr>
<th>Channel Preference to Purchase Retail Categories</th>
<th>Prefer to buy through app</th>
<th>Prefer to buy via desktop website</th>
<th>Prefer to buy via mobile website</th>
<th>Prefer to buy in-store</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clothing, shoes and accessories</td>
<td>33%</td>
<td>18%</td>
<td>13%</td>
<td>37%</td>
</tr>
<tr>
<td>Kids/baby clothes or toys</td>
<td>30%</td>
<td>14%</td>
<td>15%</td>
<td>40%</td>
</tr>
<tr>
<td>Jewellery and watches</td>
<td>15%</td>
<td>13%</td>
<td>7%</td>
<td>65%</td>
</tr>
<tr>
<td>Sportswear, sportshoes</td>
<td>25%</td>
<td>15%</td>
<td>12%</td>
<td>49%</td>
</tr>
<tr>
<td>Sports equipment</td>
<td>27%</td>
<td>16%</td>
<td>8%</td>
<td>49%</td>
</tr>
<tr>
<td>Beauty products (e.g. makeup &amp; skin care)</td>
<td><strong>40%</strong></td>
<td>17%</td>
<td>14%</td>
<td><strong>29%</strong></td>
</tr>
<tr>
<td>Health products and supplements</td>
<td><strong>35%</strong></td>
<td>21%</td>
<td>13%</td>
<td><strong>31%</strong></td>
</tr>
<tr>
<td>Food (groceries and meals)</td>
<td>30%</td>
<td>16%</td>
<td>11%</td>
<td>43%</td>
</tr>
<tr>
<td>Home furniture, lighting and household items</td>
<td>18%</td>
<td>17%</td>
<td>8%</td>
<td>57%</td>
</tr>
<tr>
<td>Consumer electronics (TV, computer, smartphone, etc.)</td>
<td>21%</td>
<td>18%</td>
<td>11%</td>
<td>50%</td>
</tr>
</tbody>
</table>

Source: SRT2. Thinking of the products you’ve recently bought, which channel would you prefer to use when buying these products? Total Sample = 350

App Discovery and Onboarding
Marketplace apps are the preferred channel; buyers lean on singular brand apps for sportswear or jewellery

**Preferred retail app to buy from**

<table>
<thead>
<tr>
<th>App Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Speciality retailer apps</td>
<td>23%</td>
</tr>
<tr>
<td>Singular brand apps</td>
<td>14%</td>
</tr>
<tr>
<td>Marketplace apps</td>
<td>61%</td>
</tr>
</tbody>
</table>

**Preferred purchase channel post Covid**

<table>
<thead>
<tr>
<th>App Type</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Speciality retailer apps</td>
<td>13%</td>
</tr>
<tr>
<td>Singular brand apps</td>
<td>9%</td>
</tr>
<tr>
<td>Marketplace apps</td>
<td>53%</td>
</tr>
</tbody>
</table>

**Preferred type of app to purchase retail categories**

<table>
<thead>
<tr>
<th>Retail Category</th>
<th>Speciality retailer apps</th>
<th>Singular brand apps</th>
<th>Marketplace app</th>
</tr>
</thead>
<tbody>
<tr>
<td>Clothing, shoes and accessories</td>
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<tr>
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<td>16%</td>
<td>38%</td>
<td>47%</td>
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<td>Sportswear, sportshoes</td>
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<td>Food (groceries and meals)</td>
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<td>6%</td>
<td>34%</td>
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<tr>
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</tr>
<tr>
<td>Consumer electronics (TV, computer, smartphone, etc.)</td>
<td>24%</td>
<td>11%</td>
<td>64%</td>
</tr>
</tbody>
</table>

Source: SRT3. Generally when buying through an app, which type of app do you prefer to buy from? SRT4. When buying [PIPE CATEGORY CODE FROM SRT2], which of the following type of apps would you prefer to buy from? SRT7. Thinking ahead to after the Covid-19 pandemic, what do you think will be your preferred purchasing channel? Total Sample = 350; Prefer to buy product through app - see speaker notes for base sizes.
**App Discovery and Onboarding summary:**

**Key insights and recommendations**

### Insights

- **80-95%** of retail brand’s customers are **aware of retail apps surveyed**
- On average, **42%** of recent retail brand users are **not using the respective apps**
- App discovery is a starting link to **building brand affinity**
  - 58% of positive onboarders have strong brand affinity
  - 21% of positive onboarders “love” the brand
- **31%** of App users have **installed at least one retail app but never used**

### Recommendations to improve brand metrics

- **Focus less on awareness of the app as awareness is high**
  Time is better spent on promoting install or onboarding
- **Focus more on improving trial and onboarding**
  - Enticing offers and promotions can encourage installation and trial within a very competitive category in a market where offline transactions are still the preference
  - **Primary categories for app usage are beauty and health**
- **Further encourage installation by promoting influential yet underutilized touchpoints**
  E.g. staff recommendations, app stores, news articles
App Engagement

How frequently is the app used?
The strongest shift in brand affinity for Singaporean retail brands occur when a user starts to use an app regularly.

**App Engagement**

<table>
<thead>
<tr>
<th>Affinity Brand Metric</th>
<th>Unaware Of app</th>
<th>Initial Awareness of app</th>
<th>Deeper awareness of app</th>
<th>Successful app onboarding</th>
<th>Use app regularly</th>
<th>Use app Most frequent</th>
<th>Rated as great app (top2box)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>18%</td>
<td>23%</td>
<td>37%</td>
<td>58%</td>
<td>86%</td>
<td>92%</td>
<td>93%</td>
</tr>
</tbody>
</table>

**App Familiarity**

- **App Discovery and Onboarding**
- **App Engagement**
- **App Satisfaction**

Affinity = the extent to which an app user loves the brand
So how do we deepen engagement?

After increased usage where an app become the favoured app ("most frequent" used).....

<table>
<thead>
<tr>
<th>Affinity (among brand users)</th>
<th>Satisfaction (among brand users)</th>
<th>Retention (among brand users)</th>
<th>NPS (among brand users)</th>
</tr>
</thead>
<tbody>
<tr>
<td>9 in 10 like / love the brand (top2box)</td>
<td>5 in 10 are satisfied with the Brand (top2box)</td>
<td>9.5 in 10 are likely to stay with the brand (top2box)</td>
<td>7 in 10 are likely to recommend the brand (top2box)</td>
</tr>
</tbody>
</table>

**Key for App Engagement**

01 Brand affinity is strongly linked to levels of app engagement
02 Correlation with brand satisfaction has risen dramatically as engagement deepens
03 Nearly all consumers are likely to stay with the brand. Very strong correlation
04 Correlation with recommendations has risen as engagement deepens - links to the stronger brand affinity
Apps are the preferred channel for app users to interact with a retail brand

62% prefer to engage with brands through their apps

- 19% Via their website
- 9% Via email
- 6% Via an employee in person
- 3% Via an employee on the phone

Source: CU10. Which would be your preferred way to engage with <PIPE DUMMY CODE FROM S6a> brands? CU10a. You said you would prefer to engage with <PIPE DUMMY CODE FROM S6a> brands via apps. Why is this? Total Sample = 350; Prefer to engage via App n = 218
App users have multiple retail apps installed which appear to have specific functions for them.

- 2.5 retail apps installed on average
- 5 activities are regularly performed in retail apps, on average
- 3 activities are performed weekly, on average

Source: CU11. What activities do you regularly perform when you use "PIPE DUMMY CODE FROM S6a" apps? Total Sample = 298
Apps are preferred channel to engage with retailers as they are quick, convenient and easy.

Reasons for engaging with brands through an app:

- I can do it from anywhere: 56%
- It is quicker: 52%
- I find it easier: 50%
- I can access it anytime of the day or night: 49%
- They are very user friendly: 32%
- I can deal with all my accounts in one place: 31%
- It is safer in the current climate (i.e. covid 19): 27%
- It has all the features I need: 25%
- They have all my details stored: 24%
- It is the method I have always used: 23%
- I prefer not having in person interaction: 17%
- I prefer the security processes (i.e 2 Factor authentication): 13%
- The app provides special features that other channels don't: 9%
- I prefer the limited features: 6%

Source: CU10. Which would be your preferred way to engage with <PIPE DUMMY CODE FROM S6a> brands? CU10a. You said you would prefer to engage with <PIPE DUMMY CODE FROM S6a> brands via apps. Why is this? Total Sample = 350; Prefer to engage via App n = 218
There is a clear preference for using apps across all retail activities

Activity Preference

<table>
<thead>
<tr>
<th>Activity</th>
<th>App</th>
<th>Mobile Website</th>
<th>Desktop Website</th>
<th>Store / Branch</th>
<th>Call centre</th>
</tr>
</thead>
<tbody>
<tr>
<td>Look at exclusive offers offered only through the app</td>
<td>74%</td>
<td>12%</td>
<td>10%</td>
<td>3%</td>
<td>1%</td>
</tr>
<tr>
<td>Write and comment on reviews of the product</td>
<td>74%</td>
<td>11%</td>
<td>12%</td>
<td>3%</td>
<td>1%</td>
</tr>
<tr>
<td>Save a list of wanted items</td>
<td>73%</td>
<td>15%</td>
<td>10%</td>
<td>5%</td>
<td>1%</td>
</tr>
<tr>
<td>Check or redeem rewards / Loyalty schemes</td>
<td>71%</td>
<td>12%</td>
<td>10%</td>
<td>5%</td>
<td>1%</td>
</tr>
<tr>
<td>Sell Products *</td>
<td>70%</td>
<td>20%</td>
<td>10%</td>
<td>5%</td>
<td>1%</td>
</tr>
<tr>
<td>Look for discounts / promotions</td>
<td>66%</td>
<td>15%</td>
<td>12%</td>
<td>5%</td>
<td>1%</td>
</tr>
<tr>
<td>Browse availability and prices of products</td>
<td>64%</td>
<td>20%</td>
<td>12%</td>
<td>4%</td>
<td>1%</td>
</tr>
<tr>
<td>Change my payment details *</td>
<td>62%</td>
<td>19%</td>
<td>16%</td>
<td>3%</td>
<td>1%</td>
</tr>
<tr>
<td>Look at photos of products</td>
<td>62%</td>
<td>22%</td>
<td>12%</td>
<td>4%</td>
<td>1%</td>
</tr>
<tr>
<td>Find locations, hours of stores *</td>
<td>61%</td>
<td>11%</td>
<td>24%</td>
<td>4%</td>
<td>1%</td>
</tr>
<tr>
<td>Read reviews</td>
<td>60%</td>
<td>22%</td>
<td>15%</td>
<td>3%</td>
<td>1%</td>
</tr>
<tr>
<td>Leave feedback for sellers</td>
<td>57%</td>
<td>20%</td>
<td>17%</td>
<td>5%</td>
<td>2%</td>
</tr>
<tr>
<td>Change my delivery details</td>
<td>56%</td>
<td>22%</td>
<td>12%</td>
<td>4%</td>
<td>1%</td>
</tr>
<tr>
<td>Compare products with one another</td>
<td>53%</td>
<td>26%</td>
<td>15%</td>
<td>5%</td>
<td>1%</td>
</tr>
<tr>
<td>Contact buyers / sellers</td>
<td>53%</td>
<td>18%</td>
<td>23%</td>
<td>3%</td>
<td>1%</td>
</tr>
<tr>
<td>Change what payment method I use</td>
<td>51%</td>
<td>27%</td>
<td>16%</td>
<td>6%</td>
<td>2%</td>
</tr>
<tr>
<td>Apply for new services and products</td>
<td>49%</td>
<td>22%</td>
<td>16%</td>
<td>12%</td>
<td>2%</td>
</tr>
<tr>
<td>Engage with customer service</td>
<td>48%</td>
<td>23%</td>
<td>11%</td>
<td>11%</td>
<td>5%</td>
</tr>
</tbody>
</table>

Source: CU14. Please tell us your preference for which method you would prefer to perform each activity shown below?
Total Sample = 350
Deal hunting is by far the most popular activity within retail apps

Source: CU11. What activities do you regularly perform when you use retail apps?

Total Sample = 350

- Look for discounts / promotions 76%
- Check or redeem rewards / Loyalty schemes 56%
- Browse availability and prices of products 49%
- Read reviews 42%
- Compare products with one another 38%
- Look at exclusive offers offered only through the app 37%
- Look at photos of products 31%
- Save a list of wanted items 23%
- Contact buyers / sellers 18%
- Leave feedback for sellers 17%
- Engage with customer service 16%
- Write and comment on reviews of the product 15%
- Change what payment method I use 15%
- Apply for new services and products 15%
- Change my delivery details 14%
- Find locations, hours of stores 13%
- Change my payment details 11%
- Sell Products 9%

Common Retail App Behaviours

Source: CU11. What activities do you regularly perform when you use retail apps? Total Sample = 350
Apps are also used as a browsing resource for obtaining more specific product details, e.g., reviews, prices and photos.

**Common Retail App Behaviours**

- Look for discounts / promotions: 76%
- Check or redeem rewards / Loyalty schemes: 56%
- Browse availability and prices of products: 49%
- Read reviews: 42%
- Compare products with one another: 38%
- Look at exclusive offers offered only through the app: 37%
- Look at photos of products: 31%
- Save a list of wanted items: 23%
- Contact buyers / sellers: 18%
- Leave feedback for sellers: 17%
- Engage with customer service: 16%
- Write and comment on reviews of the product: 15%
- Change what payment method I use: 15%
- Apply for new services and products: 15%
- Change my delivery details: 14%
- Find locations, hours of stores: 13%
- Change my payment details: 11%
- Sell Products: 9%

Many are reading reviews but few are writing them. Could review writing be encouraged by some form of rewards scheme?

Source: CU11. What activities do you regularly perform when you use <PIPE DUMMY CODE FROM S6a> apps? Total Sample = 350
Even with the most popular activities, comfort levels are relatively low. Is more education needed around app functions?

**Common Retail App Behaviours**

- Look for discounts / promotions: 76%
- Check or redeem rewards / Loyalty schemes: 79%
- Browse availability and prices of products: 78%
- Read reviews: 82%
- Compare products with one another: 80%
- Look at exclusive offers offered only through the app: 74%
- Look at photos of products: 80%
- Save a list of wanted items: 80%
- Contact buyers / sellers: 81%
- Leave feedback for sellers: 81%
- Engage with customer service: 81%
- Write and comment on reviews of the product: 81%
- Change what payment method I use: 61%
- Apply for new services and products: 71%
- Change my delivery details: 71%
- Find locations, hours of stores: 68%
- Change my payment details: 73%
- Sell Products: 51%

% very or quite comfortable performing activity within an app

Source: CU11. What activities do you regularly perform when you use PIPE DUMMY CODE FROM S6a apps? Total Sample = 350
Combination of multiple and complex needs makes app engagement a dynamic process that is fraught with opportunities and challenges.

**High app engagement across multiple shopping apps**

In the same shopping trip, Singaporeans who are highly savvy shoppers, may use a price comparison app, a specialized retailer app, and a marketplace app.

“...For groceries, I don’t rely only on app A or app B. I go to an app which compares all the prices of groceries, like you can search for all prices across all platforms, online and offline, for milk.”

- Light app user

**Bargain hunting experience builds strong engagement**

Anticipation of cost savings through lower prices, promotional campaigns and deals pull consumers back to the app multiple times.

“I go to app C once or twice a week just to browse. I look for limited offers, coupons, sales, things like that.”

- Light app user
Combination of multiple and complex needs makes app engagement a dynamic process that is fraught with challenges and opportunities.

**Apps have a stronger role as information source than purchase platform**

Research activities, such as product discovery, checking product information and price comparison, are high on shopping apps.

“...I rarely make purchase on app A but I look at it a lot.... The app is more to inform me about sales and promotions.”

- Light app user

**App as complementary role to shopping journey**

Shoppers still prefer offline for final purchase so retailers should think of the role of shopping apps as complementary to shopping journey.

“If apps like app B, the reason why most people use it is to avoid the long lines. I like this app idea where even if I’m in-store, if I can use my app to scan and self checkout, that will be quite cool - app C does that as well.”

- Light app user
App users continue to use apps that are proven to be safe and secure as well as constantly evolving.

**Top 10 reasons for continued usage**

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>If it proved it was secure and safe</td>
<td>50%</td>
</tr>
<tr>
<td>If the app was updated regularly with new, useful features</td>
<td>37%</td>
</tr>
<tr>
<td>It takes up less memory on my smartphone</td>
<td>31%</td>
</tr>
<tr>
<td>If it sends useful notifications</td>
<td>27%</td>
</tr>
<tr>
<td>If the app was updated regularly to fix bugs</td>
<td>27%</td>
</tr>
<tr>
<td>If my friends or family are using / talking about it more</td>
<td>26%</td>
</tr>
<tr>
<td>If it uses less mobile data</td>
<td>24%</td>
</tr>
<tr>
<td>If it shows its relevance during COVID-19</td>
<td>21%</td>
</tr>
<tr>
<td>When the app notifies me of any changes</td>
<td>19%</td>
</tr>
<tr>
<td>If I saw the app used / talked about on social media</td>
<td>18%</td>
</tr>
<tr>
<td>If it uses less push notifications</td>
<td>18%</td>
</tr>
</tbody>
</table>

App users are generally trusting of apps in terms of data security but any lapses would result in potential deletion. It is still a topic that is at the forefront of app users’ minds even if current levels of trust appear solid - apps need ensure security is always a top priority.

Regular updates are crucial to continued app usage whether it is new features, or fixing issues. App developers and retail brands must not stand still, especially when many people are moving to digital.

Storage is a concern - particularly if numerous retail apps are concerned. Apps need to be multi-functional yet storage friendly.

Word of mouth is a key influencer in the path to purchase - but it doesn't end just at discovery and install. These word of mouth recommendations need to continue into usage to encourage repeated and regular behavior. People influence people.

Source: CJ7. What encourages you to continue to use apps rather than delete/ uninstall them? Total Sample = 350
App Engagement: Key insights and recommendations

Insights

- App engagement has a positive correlation with brand satisfaction and loyalty
  - 53% "most frequent" users are satisfied with the brand and 97% "most frequent" users are "quite or very likely" to stay with the brand
- 62% of app users prefer to engage via apps. Users find apps quick, easy and safe. Many have multiple apps installed.
- Over 70% hold a preference for using apps to check offers, write reviews, save items and redeem rewards.
- App users are encouraged to continue usage when apps are proven to be secure (50%), when the app is updated regularly (37%), and takes up less memory (31%)

Recommendations to improve brand metrics

- **Promote money saving features that keep app users coming back**
  Consumers regularly look for discounts (76%), check or redeem rewards (56%) and look at exclusive offers (37%)
- **Make it easy for consumers to perform app activities they do regularly such as browsing, and promote these activities**
  - Consumers regularly browse (49%), read reviews (42%), compare products (38%), search for photos (31%)
  - Use app advertising solutions such as deep linking and feeds to make your products more discoverable

Think with Google
App Satisfaction

How satisfied is the user with the app?
Increasing app satisfaction creates not only strong links to brand affinity...

Affinity Brand Metric:
- 18% Unaware Of app
- 23% Initial Awareness of app
- 37% Deeper awareness of app
- 58% Successful app onboarding
- 86% Use app regularly
- 92% Use app Most frequent
- 93% Rated as great app (top2box)

App Satisfaction

R² = 0.9427

Affinity = the extent to which an app user loves the brand
... but also to brand satisfaction, retention and likelihood to recommend the brand. So how do we increase app satisfaction?

<table>
<thead>
<tr>
<th><strong>Affinity</strong> (among brand users)</th>
<th><strong>Satisfaction</strong> (among brand users)</th>
<th><strong>Retention</strong> (among brand users)</th>
<th><strong>NPS</strong> (among brand users)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>9 in 10</strong> like / love the brand (top2box)</td>
<td><strong>8 in 10</strong> are satisfied with the Brand (top2box)</td>
<td><strong>10 in 10</strong> are likely to stay with the brand (top2box)</td>
<td><strong>9 in 10</strong> are likely to recommend the brand (top2box)</td>
</tr>
</tbody>
</table>

When consumers are satisfied with their app there are strong positive links with all metrics.

If recommendation is high, it will lead to new consumers starting their app journey.
An experiential and rewarding shopping experience increases app satisfaction

**Experiential shopping drives satisfaction**

Enjoyment of shopping comes from browsing and immersing in the brand and products. Getting to know more about the products, trial and experience the products, anytime and anywhere through the app.

“I’ve come across an apparel app, you can even put the clothes on yourself and see how it looks. You can visualise how it looks with your face and body. I think it would be so great as a feature. Then I can take my clothes shopping online also... If I can really see how it will look on me, it’ll make me more confident to shop online for clothes.”

- Heavy app user

**Rewarding loyalty creates strong habit to use the app**

Being rewarded for shopping over the long term builds loyalty as consumers increasingly default to the app.

“I am more inclined to use an app that provided some form of rewards like cashback, bonuses, etc. It’s mostly given through the app itself, currently Adidas has it, you’re part of the club, you get more loyalty bonuses, you get a lot of stuff for members only.”

- Heavy app user
Personalized and entertaining shopping experiences also increase app satisfaction

**Personalize experience to increase app loyalty**

A personalized shopping experience based on their preferences and shopping history - from notifications, recommendations, favourites, to saved shopping lists

“Customising notifications. If there’s a product I’m eyeing, if I’m expecting a sale that’s going to happen, I expect a price drop, so I want to be notified on that when the time comes.”

- Heavy app user

**Fun and entertainment features to drive satisfaction**

Online shopping is increasingly more about entertainment - the ability to inject fun and entertaining elements into the shopping experience increases app satisfaction

“I play the games on Shopee to earn coins. I used to play other games like Candy Crush, but now I feel it’s a waste of time, I don’t earn anything so I might as well play the games on Shopee.”

- Heavy app user
Providing safety during the pandemic and convenience also serve as key motivators

<table>
<thead>
<tr>
<th>Primary motivations to app usage</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Covid-19 Safety (% strongly agree)</strong></td>
<td><strong>Convenience (% strongly agree)</strong></td>
</tr>
<tr>
<td>23% - They keep me safe during the COVID pandemic as I do not have to go outside</td>
<td>33% - I can use them from anywhere and at anytime</td>
</tr>
<tr>
<td>25% - They are more convenient than going in-store</td>
<td>24% - I prefer the flexibility of payment options (e.g. Google Pay, Apple Pay, PayPal, etc.)</td>
</tr>
<tr>
<td>21% - I prefer to use digital payments over cash</td>
<td>21% - I prefer to use digital payments over cash</td>
</tr>
<tr>
<td>16% - They are safer than using cash</td>
<td>21% - I like having the ability to access brands/products I can't in-store</td>
</tr>
</tbody>
</table>

- Health and safety is a priority as a result of the pandemic with app users moving to digital over physical currency.
- Speed and convenience are motivators to app usage.

Source: CJ2. Looking at the list below, how much do you agree or disagree with the following statements as to why you use <PIPE DUMMY CODE FROM S6> apps? Total Sample = 350
Regular browsing tasks elicit high satisfaction and perform well; these need to be seamless and instant.

It’s a brand I’m particularly keen in, like [Brand A], I use the app almost every day... It’s my go to app especially if I’m looking at shoes. If I have something in mind, I’ll go straight to the app to check it out.

- Heavy app user

Source: CU13. How satisfied are you with your app experience when it comes to the following activities within your <PIPE DUMMY CODE FROM S6a> apps?
CU12. How frequently do you perform the following activities within your <PIPE DUMMY CODE FROM S6a> apps?
Total Sample = 350
Enhance the experience of shopping online by addressing inconveniences that can be resolved with minor changes

Quality of life

Shoppers in Singapore are very savvy in their methods, so brands need to anticipate what distracts from a seamless shopping journey; institute notifications that keep shoppers informed

- “To view if the products are available in certain store locations (e.g. is size M towel available in the city square Decathlon?)”
- “More personalized engagements and push notifications. Should give me real time legit news. Not some batch and blasy”
- “Able to have the daily or weekly offers sent to the apps so we can plan our trips to buy if happens to see the items we wanted is on offer.”
- “Notification on restock on out of stock items”

Source: CUB. Are there any features you wish your <PIPE DUMMY CODE FROM S6a> apps had that are currently not available? Total Sample = 350
Retailers need to be continually innovating their app features and improving digital safety

Tech Innovation

Shoppers want to get things right the first time, so brands need to look into innovative technologies that ease frustrations around picking the right size or colour (etc.) of products, or AR / VR technology

- “3D images of product, more reliable reviews”
- “QR code scanner for payment”
- “Payment by Cryptocurrency”
- “Augmented reality to try on and test products”
- “I wish the app has augmented reality so that I can imagine how the furniture will look at my home virtually.”

Digital safety

Serving customers online means protecting details and finances from any threat. As more users come online, either by choice or force due to Covid, app users are expecting better security procedures in place

- “Better security features to ensure full data privacy.”
- “I wish that these apps have facial recognition”
- “Fingerprint”

Source: CU8. Are there any features you wish your apps had that are currently not available?

Total Sample = 350
Lack of usage, frustrating ads and interfaces will lead to deletion

**Satisfaction: Deletion Top 10**

<table>
<thead>
<tr>
<th>Reason</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>I don't use it enough</td>
<td>38%</td>
</tr>
<tr>
<td>There were too many ads</td>
<td>36%</td>
</tr>
<tr>
<td>Poor interface</td>
<td>34%</td>
</tr>
<tr>
<td>It has bugs / keeps crashing</td>
<td>30%</td>
</tr>
<tr>
<td>It takes up too much memory on my smartphone</td>
<td>30%</td>
</tr>
<tr>
<td>It's too difficult to use</td>
<td>27%</td>
</tr>
<tr>
<td>It seemed to be draining my battery</td>
<td>25%</td>
</tr>
<tr>
<td>I could not find the products I was after</td>
<td>25%</td>
</tr>
<tr>
<td>It gives too many push notifications</td>
<td>24%</td>
</tr>
<tr>
<td>I had security and/or privacy concerns</td>
<td>22%</td>
</tr>
</tbody>
</table>

Apps that aren't used will be deleted. Consumers have a repertoire of apps and will delete if some are taking up space on the phone unused. Brands need to encourage regular usage through frequent, personalised offers.

Ads frustrate consumers - they need to be infrequent and hyper relevant.

Unsurprisingly, app users will lose patience with apps that deliver a poor and frustrating performance. Updates need to be regular to fix bugs and improve features.

Complex apps will lead to deletion - they need to be user-friendly especially if many have moved to digital during Covid and may not be as digitally savvy as frequent app users.

Retail app deletion is rare. Consumer are tied to their provider - but apps still need to hit expectations or brand equity will suffer.

17% do not delete retail apps
47% delete retail apps less often than every few months.

Source: CJ9. Thinking now specifically about <PIPE DUMMY CODE FROM S6a> apps, what are the typical reasons why you delete / uninstall these?
CJ10. Thinking of the reasons you chose previously, please rank in terms of importance when it comes to deleting a <PIPE DUMMY CODE FROM S6a> app. Total Sample = 350
App Satisfaction:
Key insights and recommendations

Insights

- App satisfaction is strongly correlated with brand recommendation - 93% who rate an app as “perfect” are likely to recommend and promote a brand.

- 59% of app users would prefer a multi-functional singular app compared to multiple single purpose apps (41%).

- Apps are seen as a convenient and safe channel:
  - 88% agree apps can be used anytime, anywhere
  - 82% agree they are more convenient than in-store
  - 81% agree apps keep them safe in Covid

Recommendations to improve brand metrics

- Get the basics right, consistently
  Ensure critical tasks (e.g. reviews, photos, browsing) are reliable, seamless & elicit high satisfaction.

- Reduce frustrations so app switching does not occur
  Bugs and poor interfaces quickly put users off. App complexity is also a concern.

- Innovate to meet consumer needs
  Shoppers in Singapore are quite tech savvy - frustrations aren’t as obvious as they appear, so brands need to continue to innovate in anticipation of consumer needs shifting. Areas of focus could include quality of life (push notifications on re-stocking), updating security processes, and implementing tech innovations (VR, AR, QR scanning).
Thank you