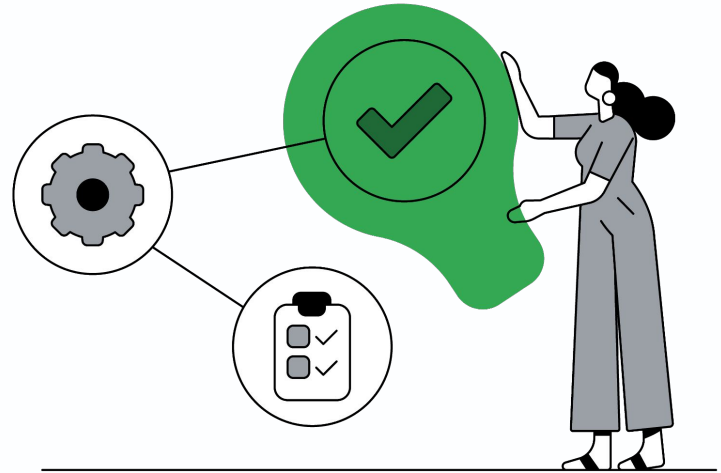# Apps: How to realize their full value

Retail, Singapore
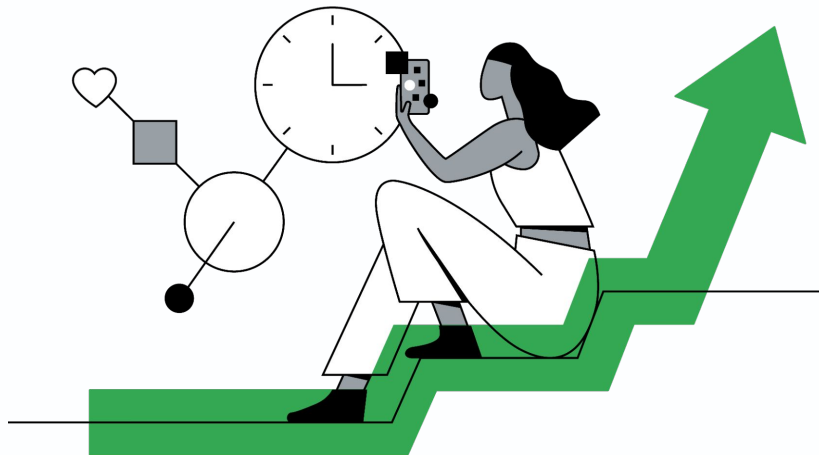
Background & Methodology

Research overview

Objectives

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.

Methodology

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*.

KANTAR
(Quantitative)

SIXTH FACTOR
(Qualitative)

Respondent Criteria

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

Gender

45% Male   **54%** Female

Age

41% (18-34)   **59%** (35-64)

Income

Below S$3,999	**16%**
S$4,000 - S$5,999	**16%**
S$6,000 - S$8,999	**24%**
S$9,000 - S$11,999	**20%**
S$12,999 or more	**19%**

Internet Usage

97% Daily

Operating System

37% iOS   **63%** Android

Connection Devices

Smartphone	**100%**
Tablet	**48%**
Laptop Computer	**82%**
Desktop Computer	**39%**
Smart Speaker	**19%**

Smartphone Storage

Under 16GB	**4%**
16GB	**5%**
32GB	**11%**
64GB	**24%**
128GB	**38%**
Over 128GB	**15%**

Prepaid v/s Postpaid

|	
Advance top up online	**12%**
Advance top up in-store	**3%**
Contract/Fixed bills	**85%**

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?

Think with Google

Summary of Findings
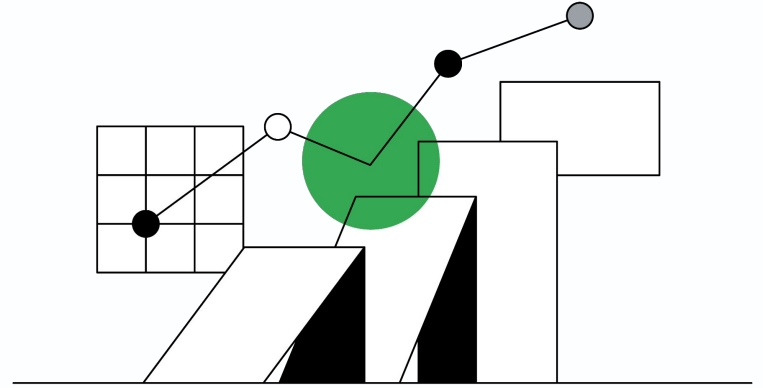
Introducing our 3 behavioral pillars that drive value for a brand in a consumer's app journey

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)"

Think with Google

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

Think with Google

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 are 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)

Think with Google

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

App Discovery and Onboarding — **App Engagement** — **App Satisfaction**

Brand Metric (y-axis) vs App Familiarity (x-axis)

X-axis categories: 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)

Satisfied: 6%, 0%, 0%, 15%, 43%, 53%, 76%
Retention: 70%, 71%, 82%, 91%, 96%, 97%, 99%
Brand Promoter: 7%, 7%, 14%, 27%, 48%, 68%, 80%
Brand Affinity: 18%, 23%, 37%, 58%, 86%, 92%, 93%

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)

Think with Google

App Discovery and Onboarding

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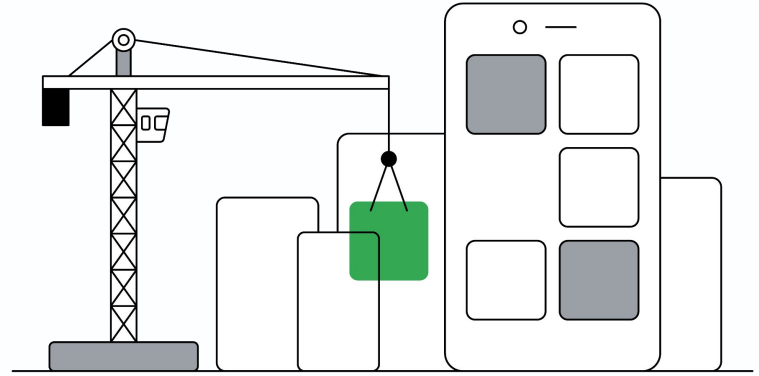
One of the highest increases in brand affinity occurs when a user transitions from install to successfully onboarding on an app

$R^2 = 0.9427$

Affinity Brand Metric

+21% +28%

18% 23% 37% 58% 86% 92% 93%

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 Familiarity

App Discovery and Onboarding | App Engagement | App Satisfaction

Affinity = the extent to which an app user loves the brand

Think with Google
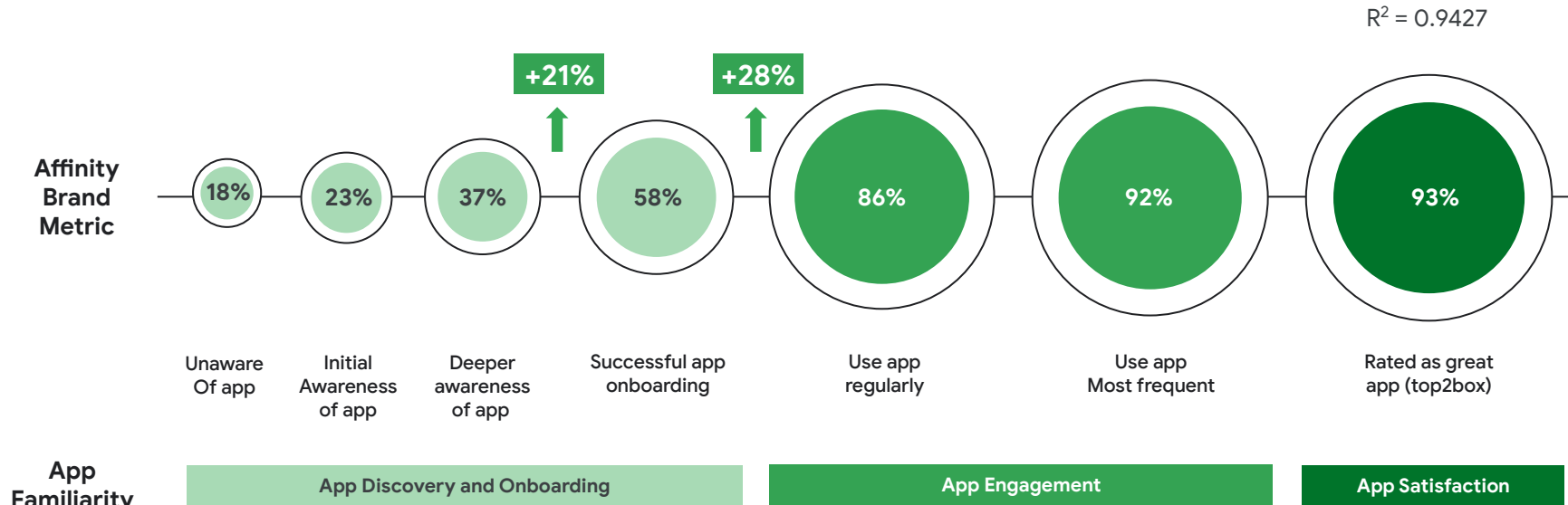
Having an app promotes progressive perceptions of the brand

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

Think with Google
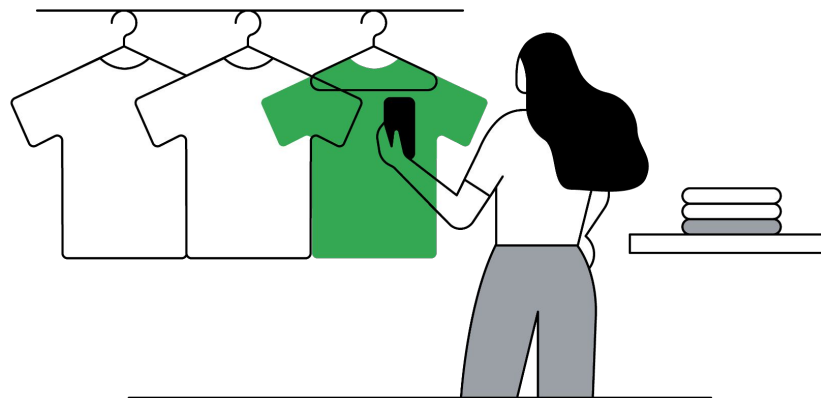
Consumers trust and are influenced by the opinions of those close to them

Very Influential / **Less Influential** (y-axis)

	Niche Touchpoints	Crucial Touchpoints

- Offline advertising
- Through news articles
- Staff recommend them
- Featured apps within app stores
- Friends/Family recommend them
- I see it shared/talked about on social networks
- Advertising on search engines
- Searching within app stores
- Advertising on websites
- Advertising on video sites (eg. YouTube)
- Reading reviews online
- Search engine results
- Through brand websites

Less Influential	Secondary Touchpoints

Typical touchpoints used

Crucial Discovery Touchpoints

Touchpoints that are frequently used and influential in installation decision making

Online	Offline
N/A	Family / friends recommend them

Source: CJ5. How do you typically find out about new <PIPE DUMMY CODE FROM S6a> apps?
CJ6. How influential are these in persuading you to install a <PIPE DUMMY CODE FROM S6a> app? Total Sample = 350

Think with Google

The app store can also complement word of mouth recommendations

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

Crucial Touchpoints
- Friends/Family recommend them

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

Secondary Touchpoints
- Advertising on video sites (eg. YouTube)
- Reading reviews online
- Search engine results
- Through brand websites

y-axis: Very Influential (10% – 50%)
x-axis: Typical touchpoints used (0% – 50%)

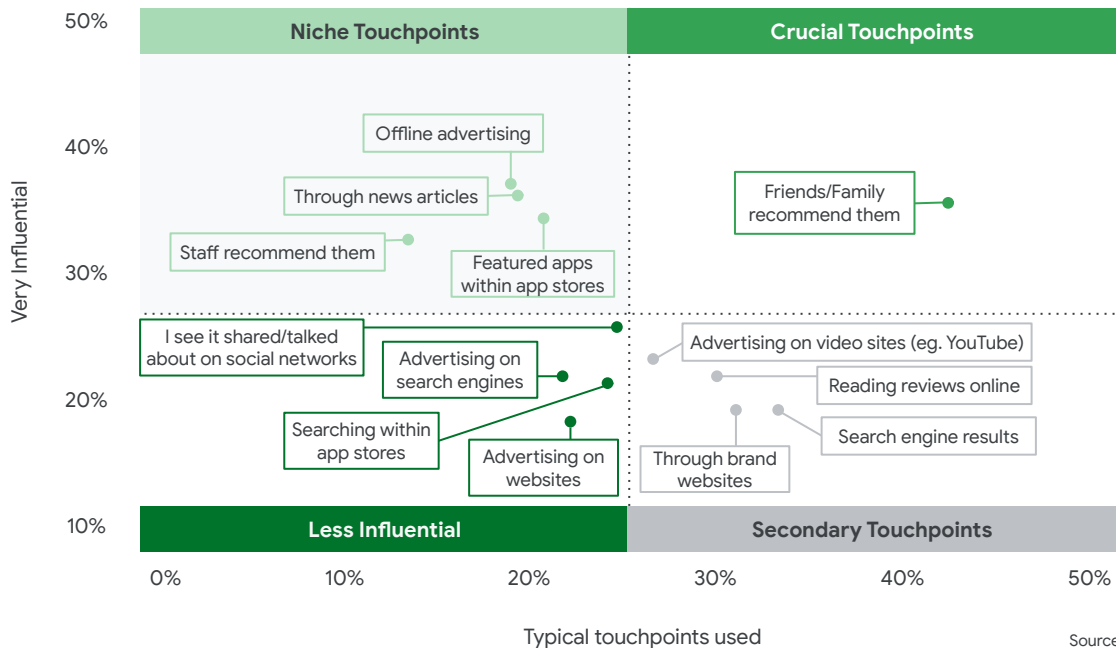## Opportunity Discovery Touchpoints

Touchpoints that are frequently used and influential in installation decision making

Online	Offline
News Articles	Offline advertising
Featured apps within app stores	Staff recommendations

Source: CJ5. How do you typically find out about new <PIPE DUMMY CODE FROM S6a> apps?
CJ6. How influential are these in persuading you to install a <PIPE DUMMY CODE FROM S6a> app? Total Sample = 350

Think with Google

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**

Think with Google

Installation does not equal trial; many have unused apps installed due to other options or perceived complexities
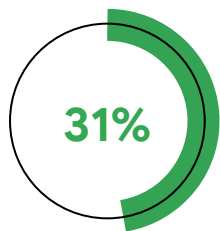
31% have installed at least one retail app but never used

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%

Think with Google

App preference is the strongest for beauty and health products, as in-store still reigns supreme across categories

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

Think with Google

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

Preferred retail app to buy from

- Speciality retailer apps **23%**
- Singular brand apps **14%**
- Marketplace apps **61%**
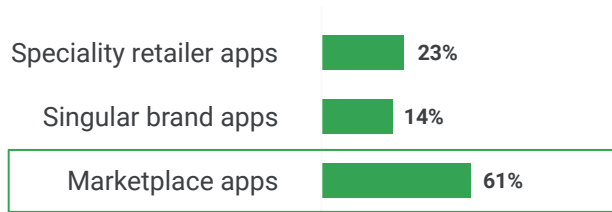
Preferred purchase channel post Covid

- Speciality retailer apps **13%**
- Singular brand apps **9%**
- Marketplace apps **53%**
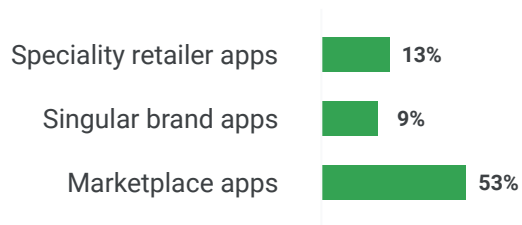
Preferred type of app to purchase retail categories

	Speciality retailer apps	Singular brand apps	Marketplace app
Clothing, shoes and accessories	12%	29%	59%
Kids/baby clothes or toys	21%	17%	62%
Jewellery and watches*	16%	38%	47%
Sportswear, sportshoes	9%	49%	43%
Sports equipment	9%	52%	39%
Beauty products (e.g. makeup & skin care)	25%	15%	60%
Health products and supplements	26%	15%	58%
Food (groceries and meals)	60%	6%	34%
Home furniture, lighting and household items	36%	16%	48%
Consumer electronics (TV, computer, smartphone, etc.)	24%	11%	64%

Think with Google

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
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  - 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

Think with Google

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

$R^2 = 0.9427$

Affinity Brand Metric

+28%

| 18% | 23% | 37% | 58% | 86% | 92% | 93% |

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 Familiarity

App Discovery and Onboarding

App Engagement

App Satisfaction

Affinity = the extent to which an app user loves the brand

Think with Google
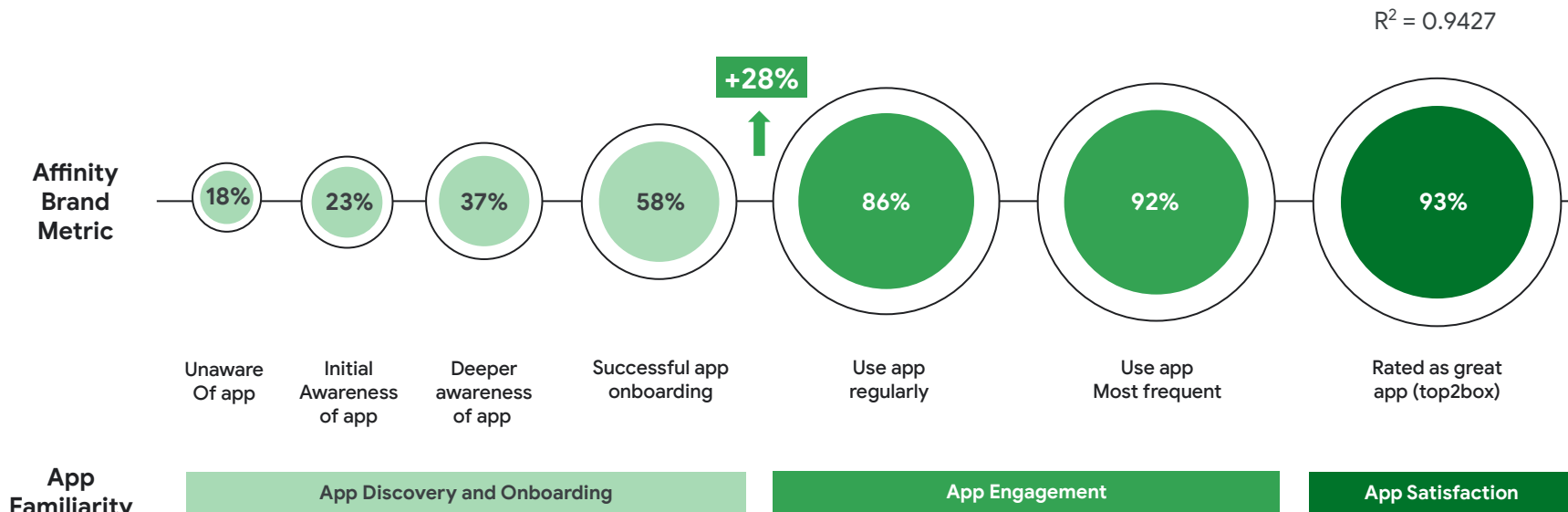
So how do we deepen engagement?

After increased usage where an app become the favoured app ("most frequent" used).....			
Affinity (among brand users)	**Satisfaction** (among brand users)	**Retention** (among brand users)	**NPS** (among brand users)
9 in 10 like / love the brand (top2box)	**5 in 10** are satisfied with the Brand (top2box)	**9.5 in 10** are likely to stay with the brand (top2box)	**7 in 10** are likely to recommend the brand (top2box)

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

Think with Google

Apps are the preferred channel for app users to interact with a retail brand
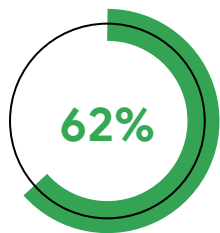
62% prefer to engage with brands through their apps

19% Via their website

9% Via email

6% Via an employee in person

3% Via an employee on the phone

Think with Google
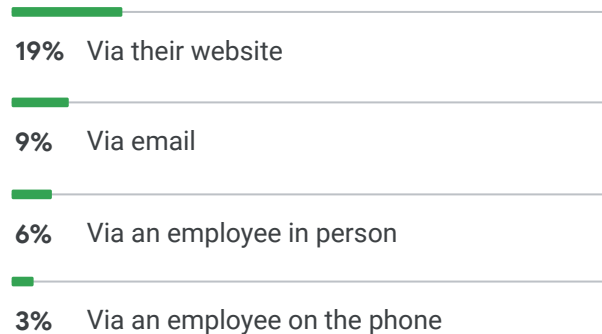
App users have multiple retail apps installed which appear to have specific functions for them

2.5
retail apps installed on average

5
activities are regularly performed in retail apps, on average

3
activities are performed weekly, on average

Think with Google

Apps are preferred channel to engage with retailers as they are quick, convenient and easy

Reasons for engaging with brands through an app
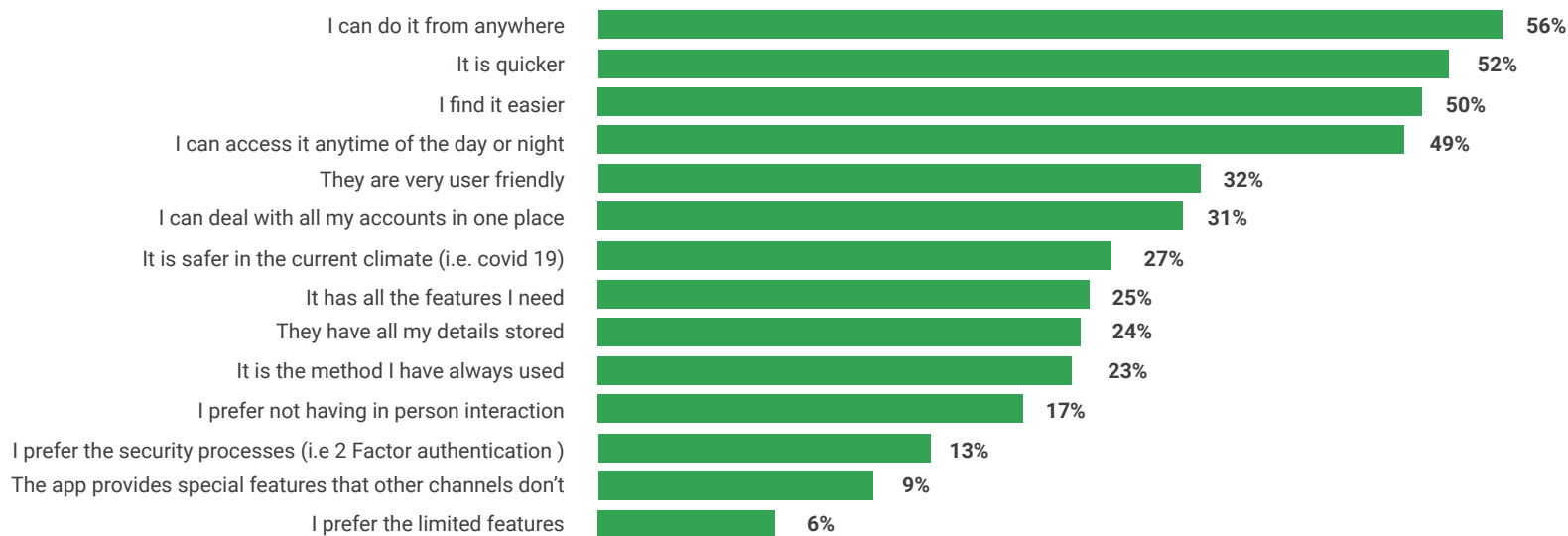
Reason	%
I can do it from anywhere	56%
It is quicker	52%
I find it easier	50%
I can access it anytime of the day or night	49%
They are very user friendly	32%
I can deal with all my accounts in one place	31%
It is safer in the current climate (i.e. covid 19)	27%
It has all the features I need	25%
They 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%

Think with Google

There is a clear preference for using apps across all retail activities

Activity Preference

Activity	App	Mobile Website	Desktop Website	Store / Branch	Call centre
Look at exclusive offers offered only through the app	74%	10%	12%	3%	1%
Write and comment on reviews of the product	74%	11%	13%	2%	
Save a list of wanted items	73%	15%	11%		
Check or redeem rewards / Loyalty schemes	71%	10%	12%	5%	1%
Sell Products *	70%	10%	20%		
Look for discounts / promotions	66%	12%	15%	5%	1%
Browse availability and prices of products	64%	12%	20%	4%	1%
Change my payment details *	62%	16%	19%	3%	
Look at photos of products	62%	12%	22%	4%	
Find locations, hours of stores *	61%	24%	11%	4%	
Read reviews	60%	15%	22%	3%	
Leave feedback for sellers	57%	17%	20%	5%	2%
Change my delivery details	56%	12%	22%	6%	4%
Compare products with one another	53%	15%	26%	5%	1%
Contact buyers / sellers	53%	23%	18%	3%	3%
Change what payment method I use	51%	16%	27%	6%	
Apply for new services and products	49%	16%	22%	12%	2%
Engage with customer service	48%	11%	23%	11%	5%

App Average: 61%

Think with Google

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

Common Retail App Behaviours

Behaviour	%
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%

Test Average

Think with Google

Apps are also used as a browsing resource for obtaining more specific product details, e.g. reviews, prices and photos
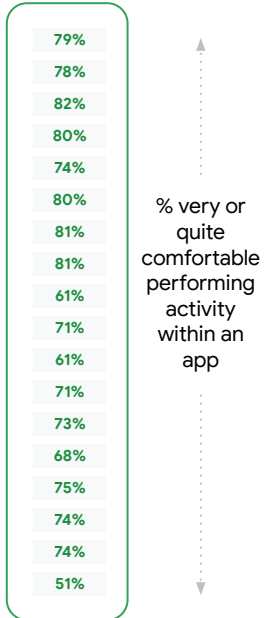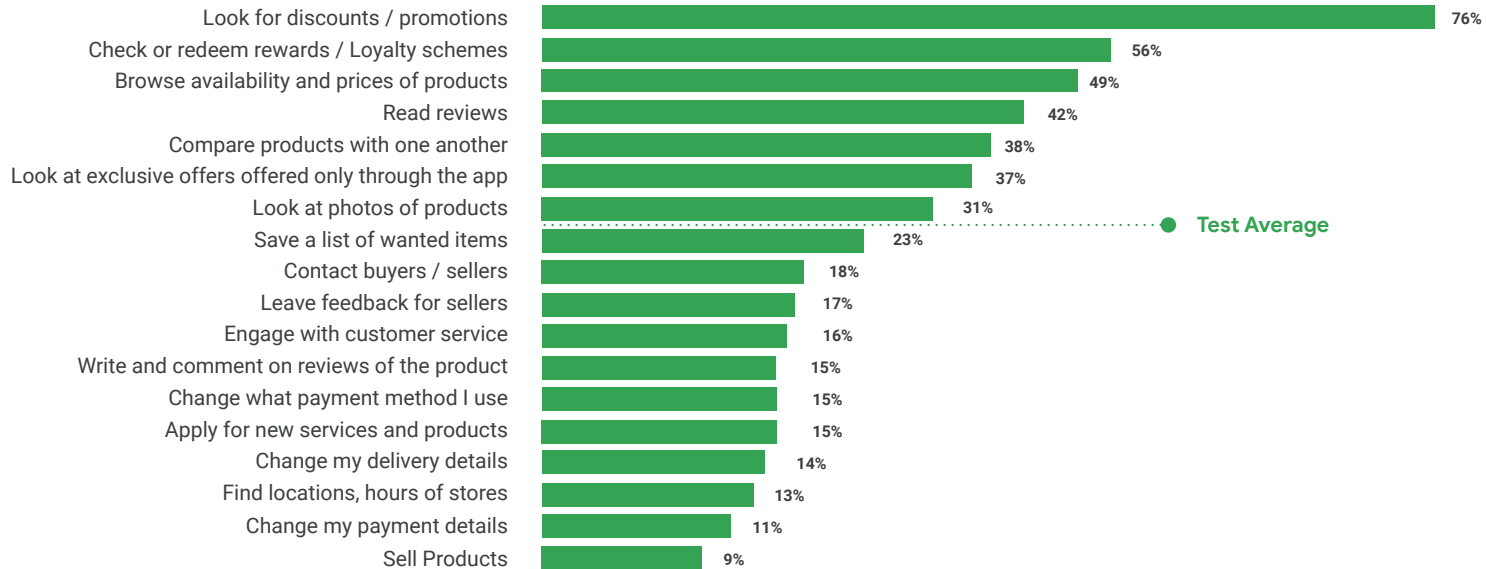
Common Retail App Behaviours

Behaviour	Percentage
Look for discounts / promotions	76%
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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%

● Test Average

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

Think with Google

Even with the most popular activities, comfort levels are relatively low. Is more education needed around app functions?

Common Retail App Behaviours

Activity	%	Comfort
Look for discounts / promotions	76%	79%
Check or redeem rewards / Loyalty schemes	56%	78%
Browse availability and prices of products	49%	82%
Read reviews	42%	80%
Compare products with one another	38%	74%
Look at exclusive offers offered only through the app	37%	80%
Look at photos of products	31%	81%
Save a list of wanted items	23%	81%
Contact buyers / sellers	18%	61%
Leave feedback for sellers	17%	71%
Engage with customer service	16%	61%
Write and comment on reviews of the product	15%	71%
Change what payment method I use	15%	73%
Apply for new services and products	15%	68%
Change my delivery details	14%	75%
Find locations, hours of stores	13%	74%
Change my payment details	11%	74%
Sell Products	9%	51%

Test Average

% 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

Think with Google

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

_____

" For 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

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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

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

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.

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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 are 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
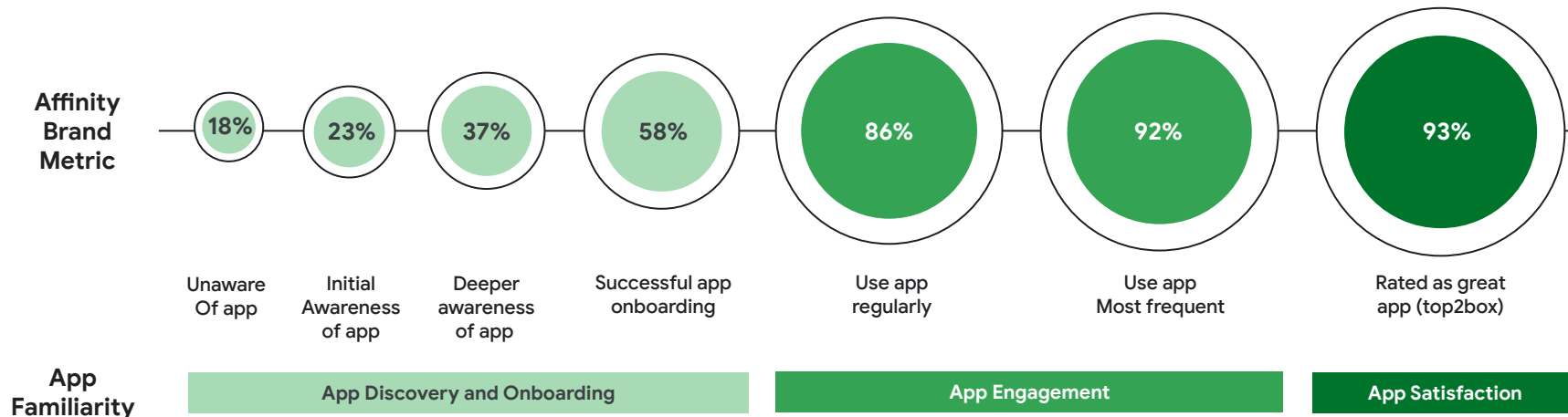
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App Satisfaction

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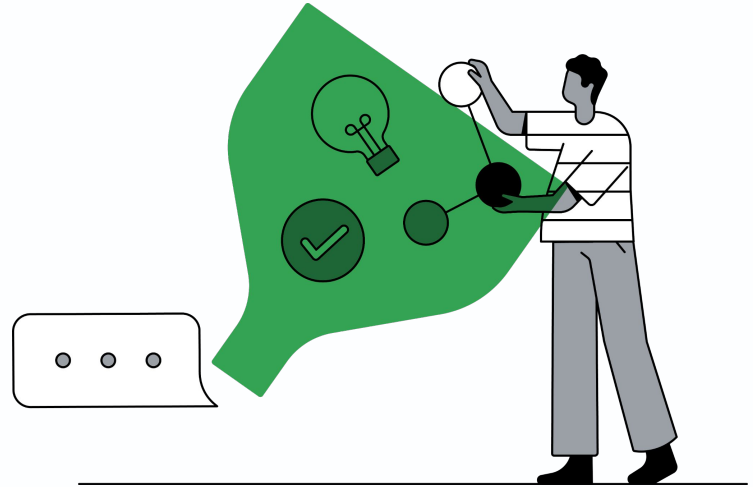
Increasing app satisfaction creates not only strong links to brand affinity...

$R^2 = 0.9427$

Affinity Brand Metric

| 18% | 23% | 37% | 58% | 86% | 92% | 93% |

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 Familiarity

App Discovery and Onboarding | App Engagement | App Satisfaction

Affinity = the extent to which an app user loves the brand

Think with Google

… but also to brand satisfaction, retention and likelihood to recommend the brand. So how do we increase app satisfaction?

When app users are highly satisfied with the app (9 or 10 out of 10)…..			
Affinity (among brand users)	**Satisfaction** (among brand users)	**Retention** (among brand users)	**NPS** (among brand users)
9 in 10 like / love the brand (top2box)	**8 in 10** are satisfied with the Brand (top2box)	**10 in 10** are likely to stay with the brand (top2box)	**9 in 10** are likely to recommend the brand (top2box)
When consumers are satisfied with their app there are strong positive links with all metrics			If recommendation is high, it will leading to new consumers starting their app journey

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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.
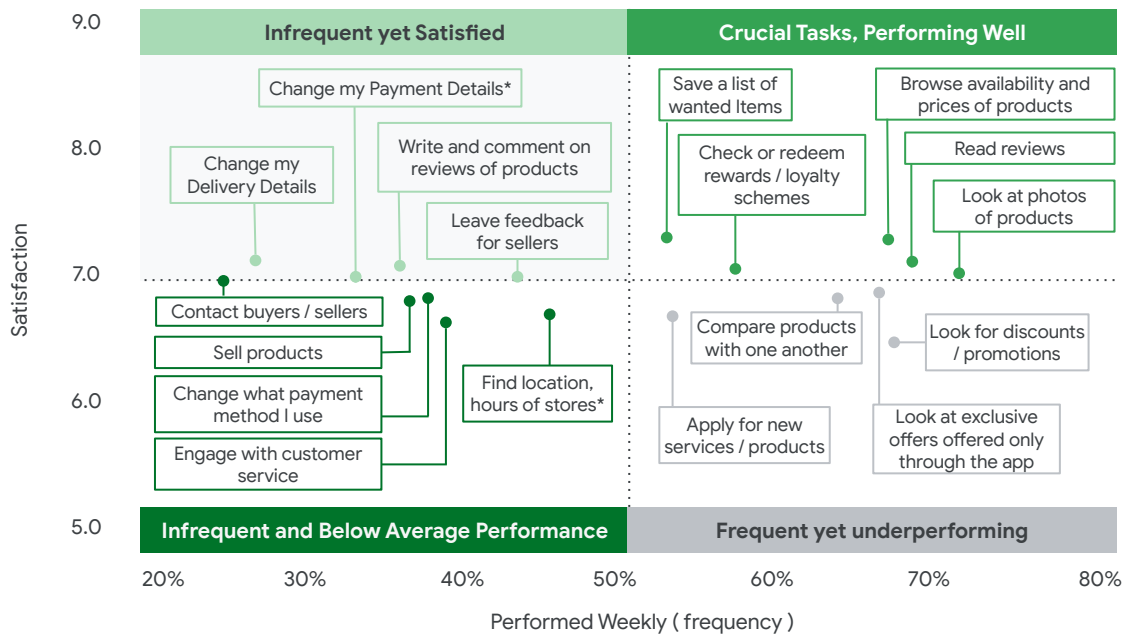
- Heavy app user

Providing safety during the pandemic and convenience also serve as key motivators

Primary motivations to app usage	
Covid-19 Safety (% strongly agree)	**Convenience** (% strongly agree)
23% - They keep me safe during the COVID pandemic as I do not have to go outside	**33%** - I can use them from anywhere and at anytime
	25% - They are more convenient than going in-store
	24% - I prefer the flexibility of payment options (e.g. Google Pay, Apple Pay, PayPal, etc.)
21% - I prefer to use digital payments over cash	**21%** - I prefer to use digital payments over cash
16% - They are safer than using cash	**21%** - I like having the ability to access brands/products I can't in-store
★ **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 S6a> apps?
Total Sample = 350

Regular browsing tasks elicit high satisfaction and perform well; these need to be seamless and instant

Satisfaction

| Infrequent yet Satisfied | Crucial Tasks, Performing Well |

- Change my Payment Details*
- Change my Delivery Details
- Write and comment on reviews of products
- Leave feedback for sellers
- Save a list of wanted Items
- Browse availability and prices of products
- Check or redeem rewards / loyalty schemes
- Read reviews
- Look at photos of products

- Contact buyers / sellers
- Sell products
- Change what payment method I use
- Engage with customer service
- Find location, hours of stores*
- Compare products with one another
- Apply for new services / products
- Look for discounts / promotions
- Look at exclusive offers offered only through the app

| Infrequent and Below Average Performance | Frequent yet underperforming |

Performed Weekly (frequency)

> 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**

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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"

Think with Google

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 I the furniture will look** at my home virtually."

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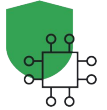
Serving customers online means protecting details and finances from any threat. As more users come online, either by choice or force due to Covid, app users are expecting better security procedures in place

- "**Better security features** to ensure full data privacy."

- "I wish that these apps has **facial recognition**"

- "**Fingerprint**"

Source: CU8. Are there any features you wish your <PIPE DUMMY CODE FROM S6a> 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

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

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

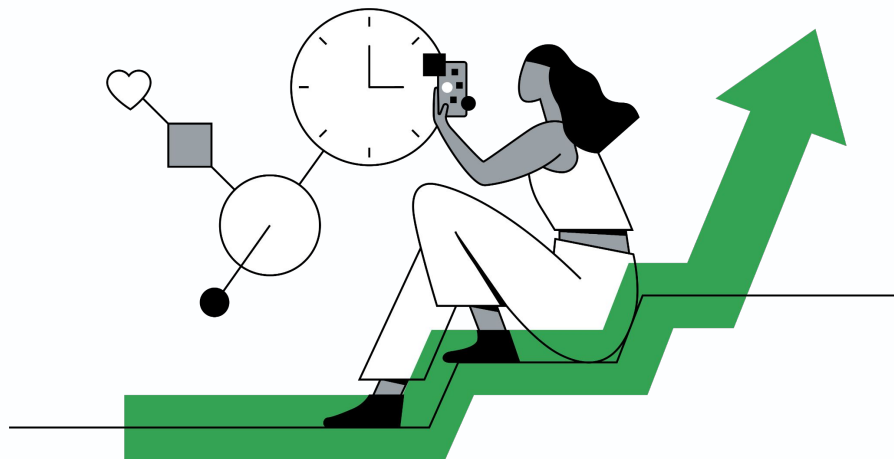 **81%** agree apps keep them safe in Covid

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)

Think with Google

Thank you