


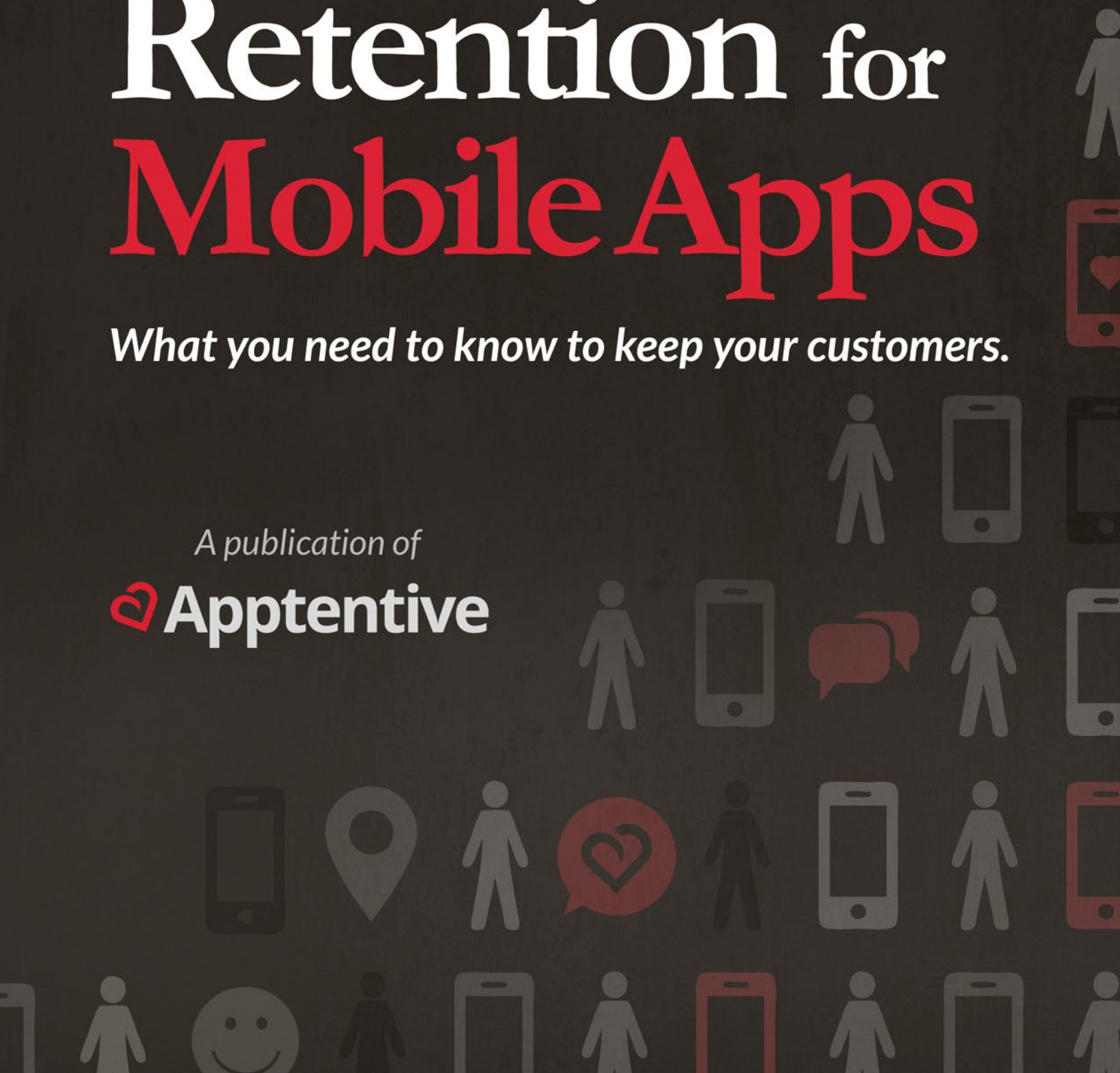
*The Guide to*

# Customer Retention for Mobile Apps

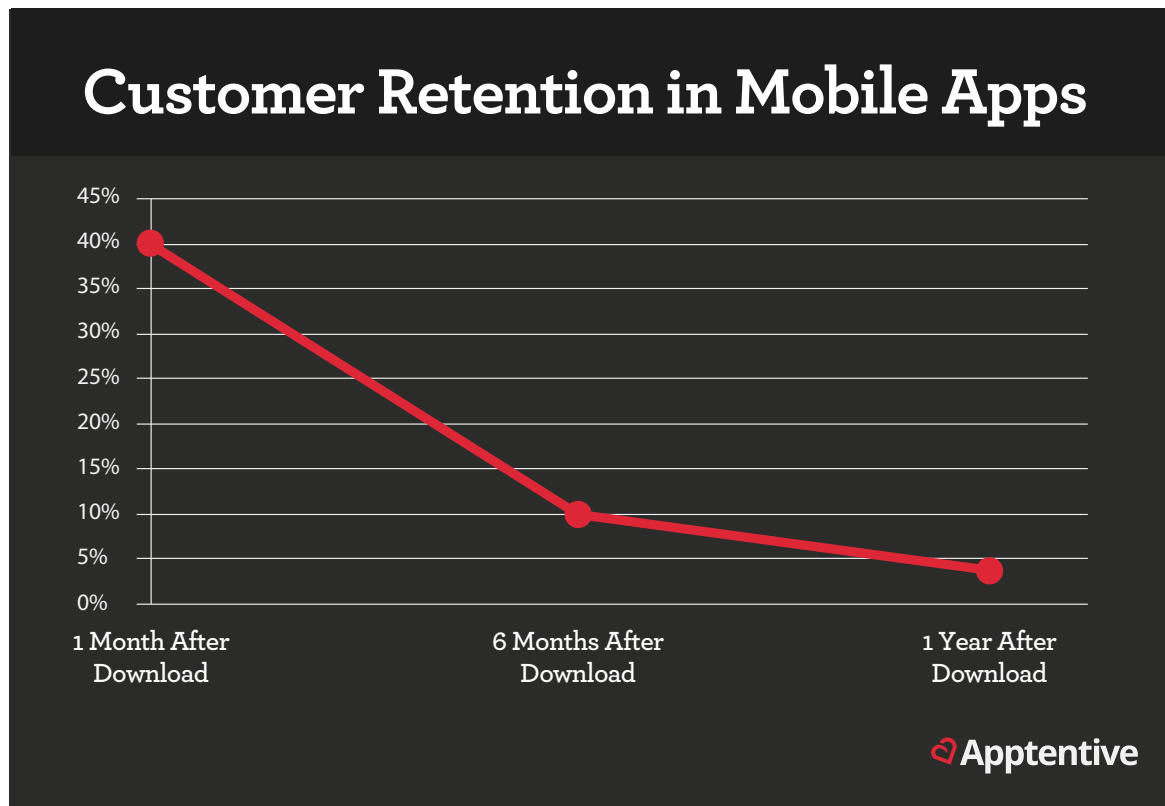
*What you need to know to keep your customers.*

*A publication of*

 **Apptentive**



Did you know that only **40%** of customers continue to use an app they downloaded a month ago? Six months later that number drops to **10%**, and after a year, only **4%** of customers will still be using the app.

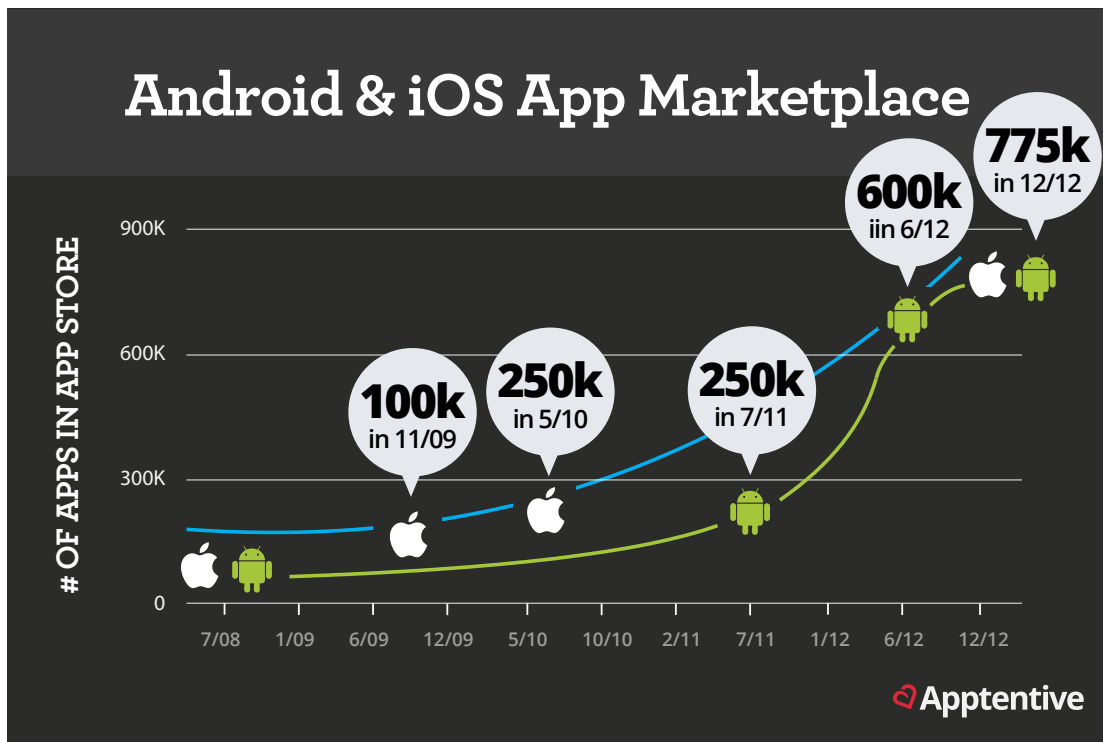


In this guide we will provide you with the key questions and answers to improving customer retention for mobile apps.

## The App Ecosystem

Mobile apps have become a part of our everyday lives and we have high expectations for the kind of experiences we have with our apps. Only apps with quality content and great customer experiences have a chance at staying on the home screen, and apps that don't provide value will quickly be deleted or forgotten about.

With over 1.5 million mobile apps available, only the best apps will be placed on the consumer's home screen.



With the sheer number of apps available it is important to continually focus on what brings people back to your app over and over again.

## The Key Questions

You need to know if your app meets the expectations of your customers and if you're providing your customers with what they want and need.



1. **Why did more than 60% of our customers stop using our app after a month?**
2. **Why do 10% of customers continue to use our app after 6 months?**
3. **Why do 4% of customers continue to use our app after a year?**

Understanding why your current customers continue to use your app will allow you to focus on what brings customers back to your app. Focusing on what customers want will improve your app, increase your retention, and enlarge your customer base.

These questions are extremely important to keep in mind when developing an app and for each update. Knowing these answers can be the difference between a successful and unsuccessful application.



## The Key Answer



### IN-APP FEEDBACK

Connect with your Customers, Understand your Customers

The best way to truly know how your customers feel about your app at scale is with feedback.

A simple answer, but critical for every mobile app. You need your customers to talk to you about your app. It is important to find out what's wrong with an app or what could be improved before learning about an issue via a review left in an app store. The app stores are no place for a conversation; in fact, they are more of an invisible wall between you and your customers. You can see what's wrong, but you are blocked from communicating with them to solve the problem.

It should be as easy for mobile customers to talk with you as it is to use any other feature in your app. The more easily you are available to get in touch with, the more likely they will reach out. Today, everyone feels entitled to be heard therefore it is important to make it easy for customers to use their voice. Let them know that you want their feedback. When you receive feedback, show the customer your appreciation.



## 3 Recommendations for Improving Retention

### 1. Give Your Customers a Voice, In-App



We all want our customers to talk to us, but rarely provide them with the tools to do so. That needs to change. Having a place where customers can send feedback in-app will open a door to understanding what is great about your app and what needs improvement.

Giving feedback should be simple and easy to do, just as every function in your app should be. The more intuitive and integrated into the app your feedback channel is, the more likely customers will reach out to you.

Don't ask customers to write an e-mail, make a phone call, or post to a social network to get help or be heard. You wouldn't ask a customer in a retail store to call support instead of asking someone in the store; therefore, you shouldn't ask people inside your app to contact you via another method.



## 2 Encourage Feedback

Having a place to receive the feedback in-app is a great start, but you need to make a proactive effort to show how important the feedback is to you. Let customers know that you are listening and want their feedback. Most customers aren't used to being asked for feedback and need encouragement. Simply having a "Give Feedback" button in the menu, or a **well-timed** prompt asking for feedback can show a customer that you care. This gives you the feedback needed to improve your app and create a product closer to the customer's needs.

Be conservative on how often you ask for feedback and give the customer time to use the app before you ask the first time.

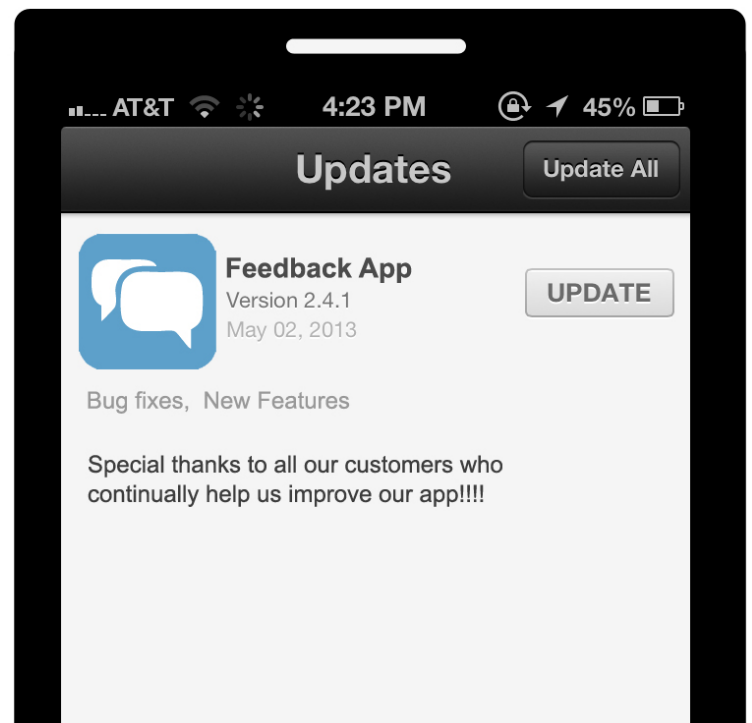
Encouraging feedback is about starting a conversation with a customer. Every conversation is a chance to learn how you can improve your app and develop a relationship with a customer. Developing relationships with your customers brings you closer to making them fans of your app for life.



## 2 Validate the Feedback

Customers who leave feedback drive your business forward, and every piece of feedback whether it is praise or criticism should be valued, and then validated. It is important to let customers know they have been heard and that the suggestion and the time it took to give it was also appreciated.

When there are updates or changes made to the app, give credit where credit is due by thanking your customers in the update notes. You can even take this one step further by personally reaching out to those who gave feedback and thanking them privately. Always keep the conversation open, and encourage customers to share feedback at any time.





# *The Validation Playbook*

## **Thank You**

Always respond with a “thank you,” even if the feedback was incredibly rude or it was something you have heard a million times.

## **We appreciate the feedback, how can we solve the problem?**

Express your appreciation for feedback and make efforts to solving the problem on the spot. If it is a problem that can't be fixed or is a low priority be honest with your customers and tell them why.

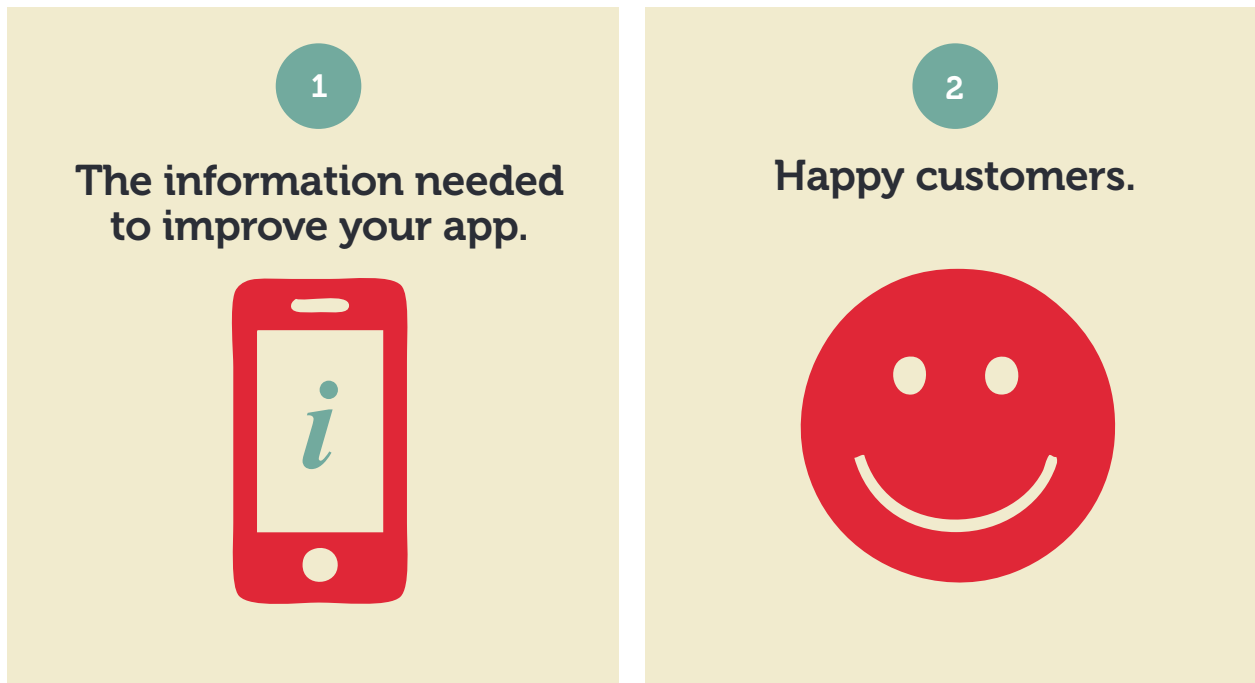
## **Follow-up**

Always be sure to follow-up with your customers with another thank you, or by letting them know a new feature is available. For customers that might have had a larger issue, consider giving them something for free. Customers who get their problems solved become some of your biggest fans.



## The Effects of Feedback

There are two outcomes from giving customers a voice in-app, encouraging feedback, and validating customer feedback.

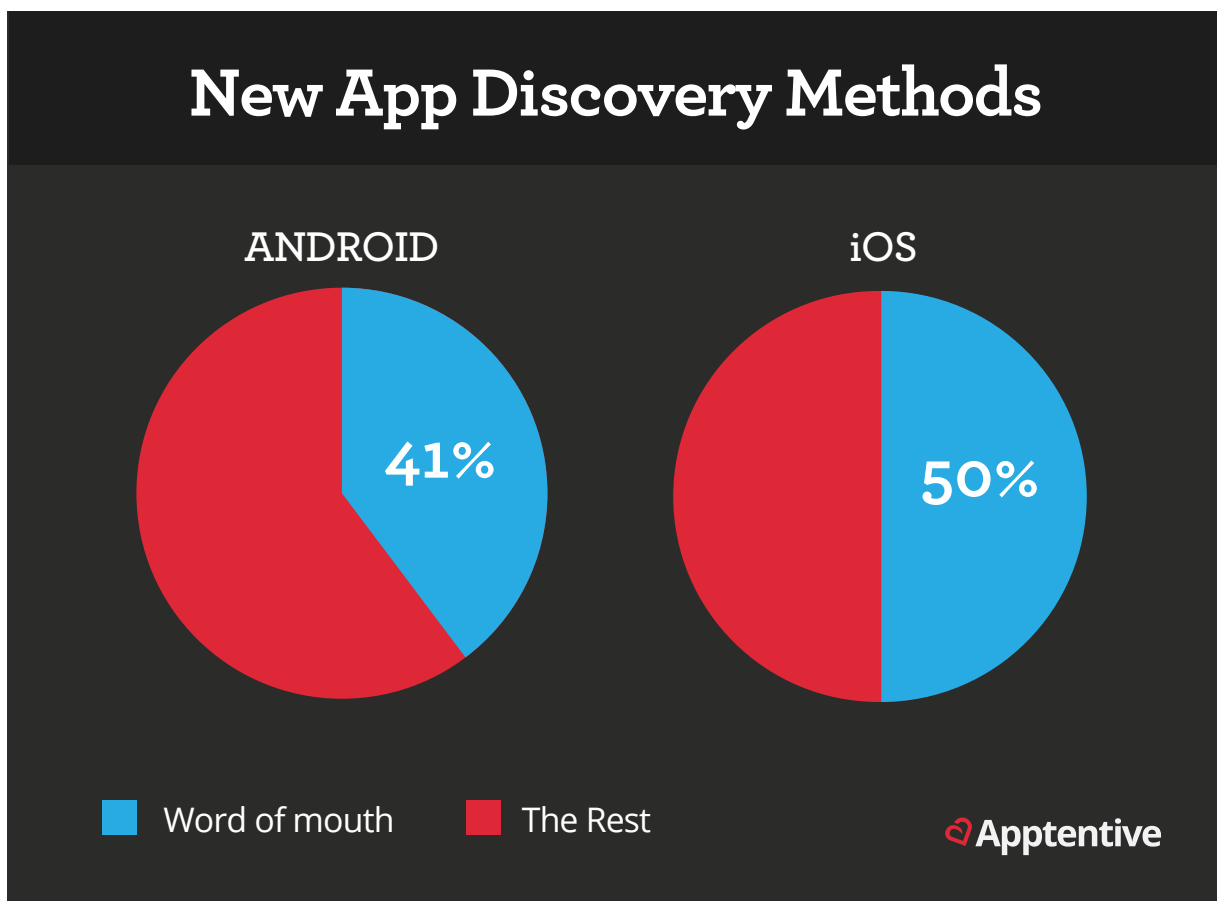


Both outcomes improve retention for your mobile app. Getting the information needed to improve your mobile app allows you to update your app to more closely fit what your customers want. When customers get what they want, they become happy customers and happy customers will come back over and over again.



## Side Effect – Customer Acquisition

Word-of-mouth from friends and family account for **50%** of new iOS app discoveries and **41%** of new Android app discoveries. Happy customers are more likely to tell their friends and family about an app that they have had a positive experience with. Not only does providing a place for feedback inside your app improve your retention, but it also improves customer acquisition.



## What's Your App's Retention?

Calculate Your App's Customer Retention

*Key Numbers:*

- **Sum of lifetime downloads**
- **Monthly Active Users**

Your current customer retention is your active consumers for a month divided by the sum of your lifetime downloads up to that point.

$$\frac{\text{Active Customers Last Month}}{\text{Sum of Lifetime Downloads}} = \text{Last Month's Retention Rate \%}$$

What's your current 1-month retention percentage?

What does your long-term retention trend show?

*(We recommend using at least 3 months to calculate your current retention trend)*



## Sign Up for a Free Apptentive Trial Today

Apptentive can save you the time and money it takes to build the feedback channel every app needs. Join Urbanspoon, Cheezburger, Intercontinental Hotels Group, and thousands more in improving customer retention today.

**Sign-up for an Apptentive free trial and start improving your retention today!**

[Sign Up Here >](#)

### What our customers are saying:

“Better ratings and direct customer feedback at scale? For us, being Apptentive is a no-brainer. If you’re making an app, not using Apptentive means you’re wasting your team’s money.”

*Doug Chavez, VP of Marketing  
RadiumOne*

“Our customers are our lifeblood. Apptentive gets us connected to them like nothing we’ve ever done before. The Apptentive team lives and breathes their mission and they’ve been incredibly responsive and helpful.”

*Trevin, CTO  
Chewsy*

Thank you for reading the guide to  
Customer Retention for Mobile Apps.



SHARE THIS GUIDE!

[www.apptentive.com](http://www.apptentive.com)

