Mobile Customer Engagement Benchmark Report: 2019 Edition

Apptentive

IF companies think they have a lot of time to course correct unhappy customer experiences, they're wrong. The data included in Apptentive's 2019 Mobile Customer Engagement Benchmark report is meant to serve as a yardstick for companies seeking to understand how their customer feedback metrics stack up against the market. It provides insight into where brands set the bar, and where they have opportunities to improve their mobile customer experience.

Customer experience and customer centricity are at the forefront of business conversations across all verticals. This year, companies will seek to further align themselves across their organizations and put their customers at the center of every business decision. According to a study by PwC, even when people love a company or product, 59% will still walk away after several bad experiences, and 17% after just one bad experience. Globally, 32% of all customers would stop doing business with a brand they loved after just one bad experience.

If companies want to excel at customer retention, the solution is listening proactively and taking action on customer feedback. Gartner had predicted a few years ago that by 2019, more than 50% of companies would increasingly invest in customer experience. They were right about the trend, and the number might be even higher now. At the National Retail Federation's Big Show this past January, executives spoke about investment in customer experiences as one of the emergent themes for the coming year. On a panel about intelligent retail, Jeff Wile, Senior VP of Cloud Infrastructure and Retail Tech at Starbucks, said, "Yes, we want to make

your next latte, but we're thinking [about] more than that. We're thinking experiential, connecting with customer[s]. It's not just another transaction."

To that end, one of the most prominent listening posts for companies is their mobile app. Apps are physically close to a customer, and many times, are the first thing consumers reach for when they want to engage with a brand. An eMarketer report says that US adults spend about 3 hours and 35 minutes on mobile each day. Apps account for approximately 90% of internet time spent on mobile. Nearly half of the time spent on apps is in an individual's top app, and 90% is in the top five. Even after discounting for time spent on browsers embedded in apps, that's incredibly high.

The intimate nature of apps combined with the convenience they offer make them a powerful tool for understanding the customer journey. The data included in this benchmark report, focused specifically on mobile apps, shares insights into the mobile customer journey through the lens of the millions of data points we collect. It will serve to help inform you and drive data-driven business decisions you can begin acting on immediately.
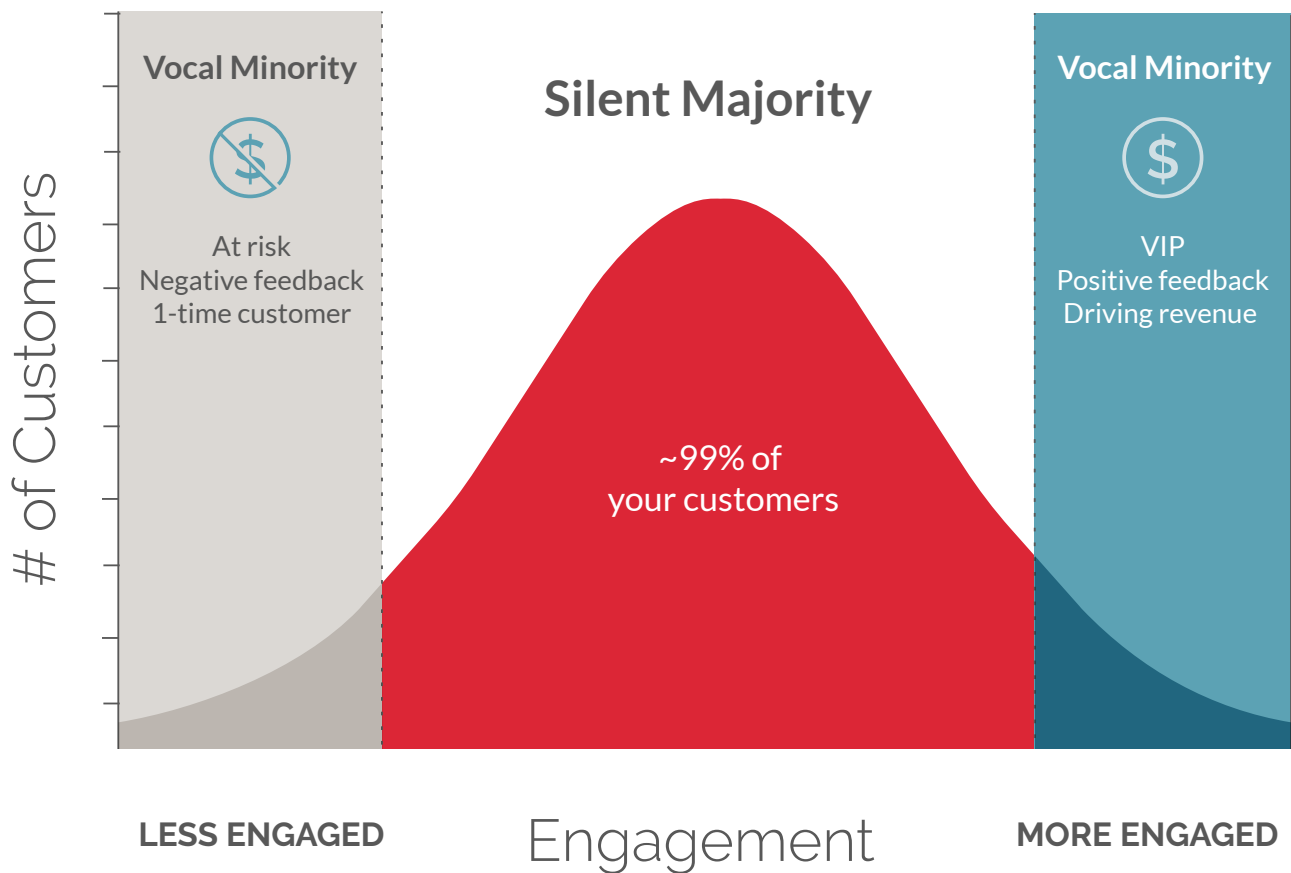
The report includes data from over 1,400 unique Android and iOS apps across all app categories, from January 2018 to December 2018. The data was captured by interactions deployed using Apptentive's mobile communication platform, which has powered nearly half a billion customer conversations for Fortune 500 brands across two billion devices worldwide. Additional notes on methodology are included in respective sections.

Benchmark Metrics

What if you could get a daily pulse on how your customers feel and how that changes over time? What if you could watch how customer sentiment changes in real-time following version releases, feature releases, and more? It could be the driving force in making data-driven product roadmap decisions and having a comprehensive view of customer sentiment.

It's possible, but in order to gauge true sentiment, you need to hear from a broad segment of your customer base. The truth is most brands only hear from less than 1% of their customer base, which we call the "vocal minority." **The vocal minority is made of up of two groups of customers: those who are at risk for churning because they had a bad experience with your app, and those who are VIPs or your most loyal happy customers**. Their public commentary is only a small fraction of the private feedback brands should be getting.

Vocal Minority

At risk
Negative feedback
1-time customer

Silent Majority

~99% of
your customers

Vocal Minority

$

VIP
Positive feedback
Driving revenue

# of Customers

Engagement

LESS ENGAGED

MORE ENGAGED

While feedback from the vocal minority is very valuable, **it is dangerous for a brand to act on feedback that doesn't accurately represent the majority of its customers**. You want to hear from the largest possible base of your customers to get truly actionable and comprehensive feedback. You don't want to wait for customers to reach out to you, but proactively reach out to them and make their feedback a part of your product roadmap. Brands that measure customer sentiment on a yearly, quarterly, or even monthly basis experience a disconnect between their actions and the consequences of how their actions make their customers feel.

Daily measurement of customer sentiment provides a precise look at the cause and effect of changes you're making, and is the only true way to measure customer health. Having your finger on the daily pulse of customer sentiment allows you to act quickly if customers respond negatively, and enables you to repeat successes. The metrics in this report are aggregated across the entire Apptentive customer base and provide a deep dive into customer interactions from data like in-app survey response rates, messages sent and received, Love Ratio based on the Love Dialog, Net Promoter Score, ratings and reviews, and overall customer engagement and responsiveness.

Want to jump ahead? Use the links below to skip to specific sections.

Interaction and response rate: Percentage of app customers who companies reach out to, and the percentage of those customers who respond to the interactions sent.

Love Dialog: The average percentage of customers who respond "Yes" to Apptentive's Love Dialog, the average percentage of customers who respond "Yes" or "No", and the average percentage of customers who switched their response.

Surveys: Average response rate to in-app surveys, and the average Net Promoter Score (NPS) score.

Ratings and reviews: Average volume of ratings and reviews, the distribution of star ratings, and the opportunity cost of a star.

Messages: Average number of in-app messages sent by customers to brands, and average number of in-app messages received by customers from brands.

Customer centricity and customer experience management are the hot topics of this year's business conversations. These themes are only going to become more prominent not just in mobile, but across all channels. As such, it's not enough for companies to send communication into a vacuum. **They need to be able to understand the analytics behind the interaction and response rates so they can make data-driven decisions**. Asking the right question, at the right time, in the right format, combined with a deep understanding of engagement gives companies a more complete picture of the the health of their customer communication strategy.

Note on methodology: The average percentage of mobile customers who brands reach out to is captured in the interaction rate. While we separate out individual features, this metric is intended to give a holistic picture and includes data from Surveys, Love Dialogs, Notes, and Messages. For this set of metrics, we computed "percentage of total number of interactions per active user" and "percentage of total number of responses per active user interacted with" across the entire dataset. Only apps with 10,000+ active users over the entire year were considered.

Apptentive Benchmark

AVERAGE INTERACTION RATE
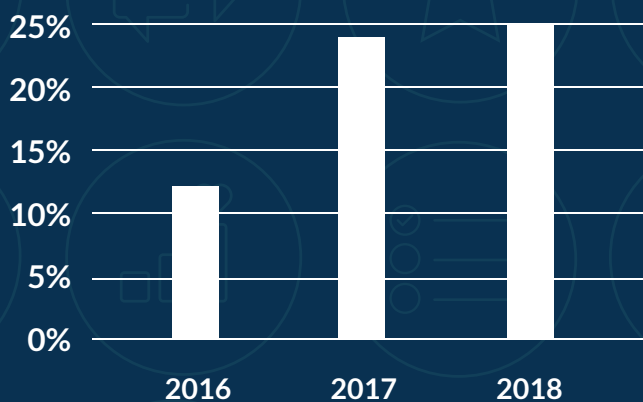
AVERAGE RESPONSE RATE
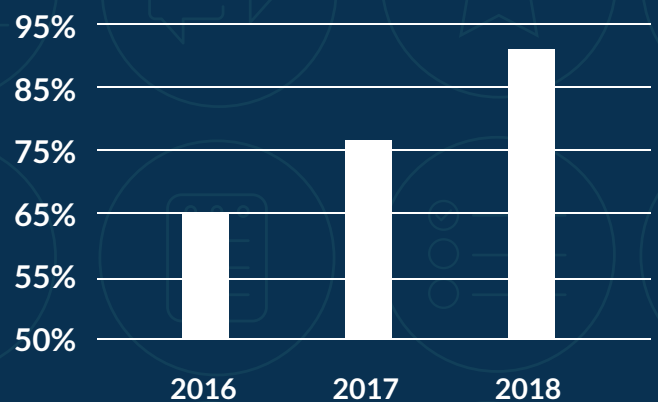
In 2018, companies reached out to 25% of their customer base; on Android, the rate was 21% while on iOS, it was 28%. While this is only an overall increase of 1 percentage point from 2017, **the response rate in 2018 was phenomenal at 91%**.

This means that of the 25% of customers that were reached out to, 91% responded to the interaction. **That's 20% growth year-over-year**. Looking at individual systems, the response rate is 94% on iOS and 88% on Android.

THE RESPONSE RATE THIS YEAR IS PARTICULARLY NOTEWORTHY.

Companies were able to collect more feedback with a very high response rate (20% more than the previous year) by reaching out to a quarter of their customer base on average.

The powerful impact and efficacy of this approach lays the foundation for companies to devise more meaningful strategies to engage with even more customers and continue to drive success.

From 2016 to 2017, we'd seen a 17% year-over-year increase in response rate, and that number is only growing. This shows us that companies are getting more thoughtful and contextual in their targeting and outreach. They're finding the perfect mobile moments to connect with customers. In the digital age, people want to build a relationship with brands and be involved in shaping the customer journey. Our research shows that customers who are interacted with are four times as likely to continue using your app after three months.

It is not enough to just reach out to customers, which is particularly important on mobile. You never want to interrupt the customer experience to engage, but you want to be there at the right moment to proactively ask for feedback when your customer is ready to share. **The data shows that customers clearly want to share feedback, proven by the 91% response rate. So, even though companies didn't reach out to a much greater percentage of customers, the ones they did reach out to were highly engaged, which is the most important factor**.

Love Dialog

Wouldn't it be helpful if you knew what percentage of your customer base really loved your brand? Apptentive has designed our Love Dialog with the intent of getting you that answer. **It's a simple, yet effective "yes" or "no" question to provide brands** **the context they need to interact with customers in the most relevant way**. The Love Dialog gives brands an honest look at customer sentiment and how it changes over time. The graphic below provides a visualization of how the Love Dialog works.
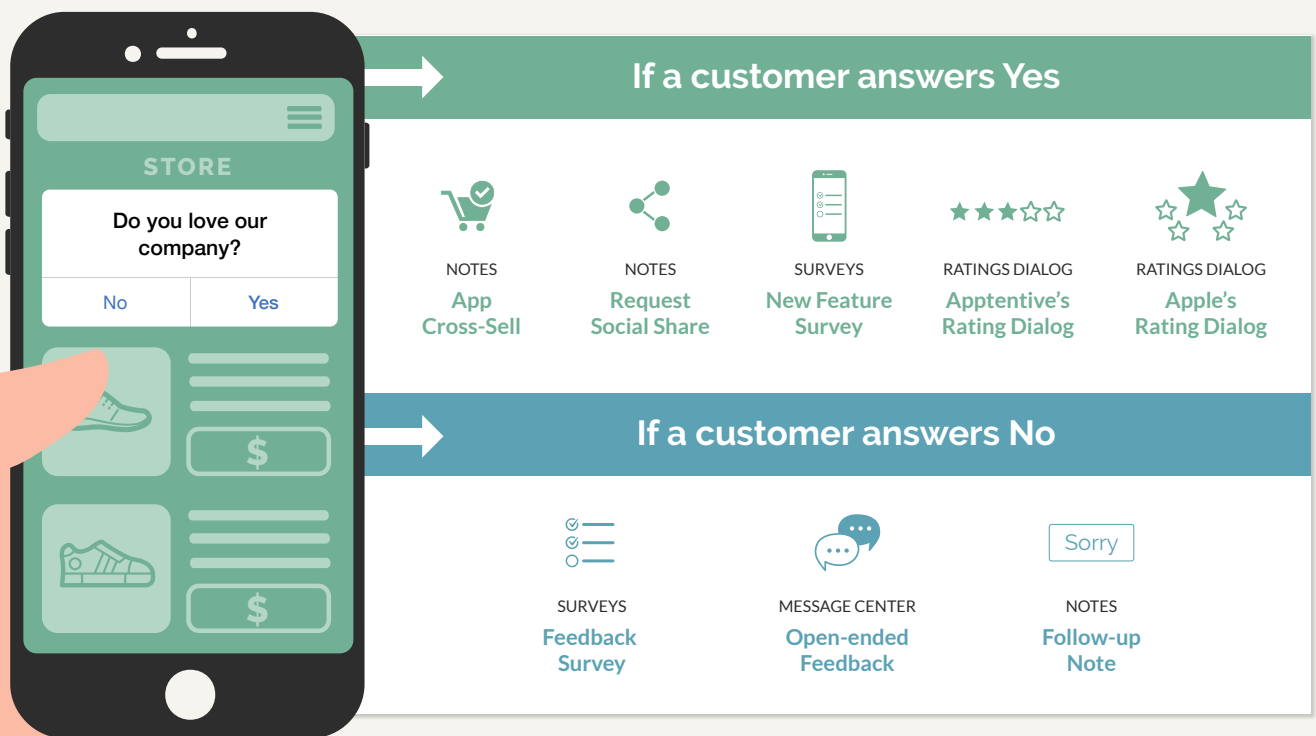
The process for customers to share feedback should be easy, seamless, and intuitive. An appropriately-timed Love Dialog is a simple way to track and analyze customer sentiment over time, and by app version. If a customer answers "yes," they can be directed to rate your app or leave a positive review. If they answer "no" and are at risk for churn, they can be directed to connect directly with your team to have their grievance addressed and solved.

Note on methodology: For this section, the numbers represent averages calculated on a per app basis. Benchmarks were determined this way to ensure that bigger apps didn't skew the weightage and we have a true representation of the dataset. Only apps with 10,000+ active users over the entire year were considered.

Love Dialog Response Rate:

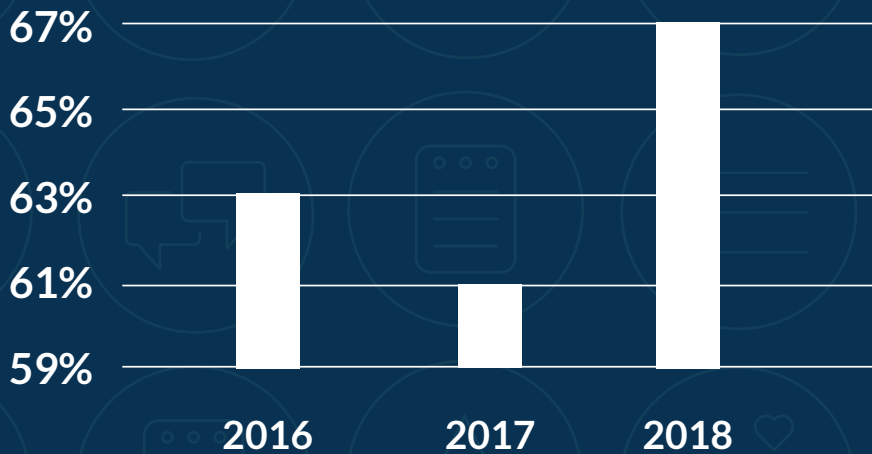**The average percentage of customers who responded "Yes" or "No": 91%**

The average response rate on Android is 85% and that on iOS is 95%.

No   Yes

85%   95%
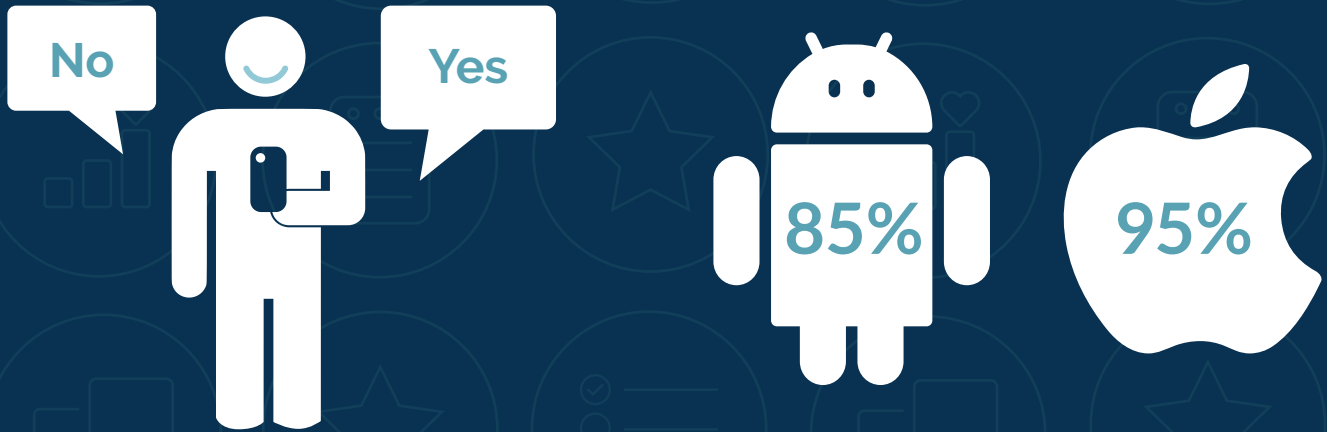
The Love Dialog garners such high response rates primarily because of its simplicity. People are willing to answer short, simple questions and share feedback when they're proactively asked for it.

Here is a look at the benchmark for customers who respond "Yes" to the Love Dialog.

The percentage of customers who respond "Yes" to Apptentive's Love Dialog

	2016	2017	2018
67%			
65%			
63%			
61%			
59%			

The percentage of **customers answering "yes" rose by 6 percentage points in 2018**. The percentage of customers saying "yes" is higher on Android at 70%, compared to 64% on iOS. However, as mentioned above, the overall average response rate (people who said "yes" or "no") is higher on iOS. Also, after seeing a dip in the percentage of customers who respond "yes" in 2017, we're seeing this number has risen significantly in 2018. Response rates have been rising steadily over time. That's noteworthy since higher response rates signify higher engagement. It could also imply that companies are being more thoughtful about reaching out at a time when customers are willing to share feedback.

Change in Customer Sentiment Over Time

Understanding customer sentiment by using an emotional stop word like "love" gives companies insight into how customers who may not always be vocal feel about them. It's especially effective when done using the Love Dialog since happy customers get the chance to go further and leave a rating or review, or beta test new features, or join a customer advisory board, and dissatisfied customers can reach out and share why they're not happy and what they would like to see changed.

Another important angle of customer sentiment is understanding how it has changed over time. It takes you a layer deeper in knowing who has been delighted with their customer experience, and who you need to pay more attention to and nurture. For instance, a sudden dip in fans doesn't have to go unexplained. By looking at it on a timeline, you could trace it to a backend issue you might have had or some other technical glitch. You can even take steps to reach out to those customers and explain the situation. Similarly, it could help you test if adding or removing some app functionality had an impact on fans gained or lost.

Overall, we saw that **8% of people who responded to the Love Dialog changed their answer over the course of 2018**. Of those, **45% were won over, which means they changed their answers from "no" to "yes."** At 47%, iOS apps won over more fans than Android apps at 42%. Also, of all the people who switched their answers, 52% of fans were lost, meaning they changed their answers from "yes" to "no." These findings

show that acting on sentiment insights, even when they are not positive, pay off. There are plenty of opportunities for brands to win back customer love from those they've lost it from—you just have to be thoughtful and data-driven about your approach. The more historical data you have on where the love turned to heartbreak, the better the chance you'll have at winning their hearts back through new engagement strategies.

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turned to heartbreak, the better the chance you'll have at winning their hearts back through new engagement strategies. This data is critical for companies to understand which customers are at risk to churn so they can dig deeper into the qualitative feedback and make necessary changes to their product roadmap. At the same time, product teams can pat themselves on the back for the things they got right and fans who were won over.
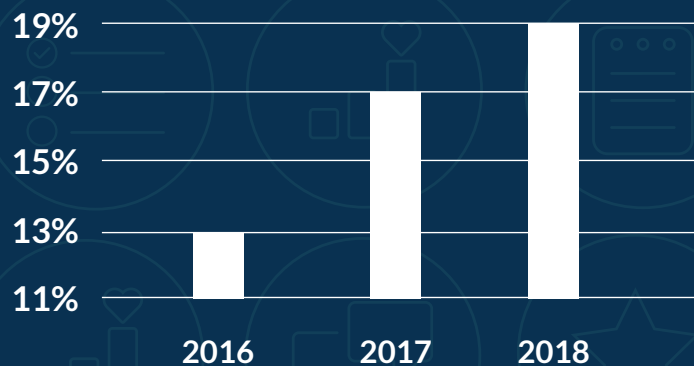
Surveys

Surveys enable companies to collect and analyze both qualitative and quantitative feedback. It's a powerful tool if used correctly. When it comes to mobile, customers don't want to answer lengthy surveys with multiple questions. **We've found that short surveys with specific asks like feedback on a new feature, or the checkout process after a customer has completed a purchase, are effective and efficient**. In addition to content, timing of surveys is critical. A survey that interrupts a customer's in-app experience will rarely be well-received.

Note on methodology: For this section, the numbers represent averages calculated on a per app basis. Benchmarks were determined this way to ensure that bigger apps didn't skew the weightage and we have a true representation of the dataset. Only apps with 10,000+ active users over the entire year were considered.

Apptentive Benchmark

Average response rate to in-app surveys:

Year	Response Rate
2016	13%
2017	17%
2018	19%

Every year, companies are seeing higher response rates to in-app surveys due to better targeting and strategic campaigns. In 2018, the **overall response rate to surveys was 19%**. Specifically on Android, 13% of customers were prompted for surveys, and it received a 21% response rate. While 14% of customers were prompted on iOS, the response rate was lower than Android at 18%. **Higher response rates mean fewer customers feel bothered and they are providing more relevant feedback**. While listening is the first step in a robust customer communication strategy, brands must also respond to and acknowledge feedback. Customers don't want to send feedback into a vacuum, and if they don't feel heard, they will stop sharing it—which will likely impact their loyalty.

Net Promoter Score (NPS)

Net Promoter Score (NPS) is a traditionally popular tool used to track customer loyalty and sentiment. NPS is considered a leading growth indicator across industries and used as a benchmark against competitors. It measures a customer's willingness to endorse and recommend a company's products and services to others.

As a refresher, respondents to an NPS question are grouped into three categories based on their ratings:

1. **Promoters (score 9-10):** Loyal customers who will keep purchasing and will refer the business to others

2. **Passives (score 7-8):** Satisfied customers, but may be swayed by competitive offerings

3. **Detractors (score 0-6):** Unhappy customers who can damage your brand by negative word-of-mouth

DETRACTORS   PASSIVES   PROMOTERS

| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 |
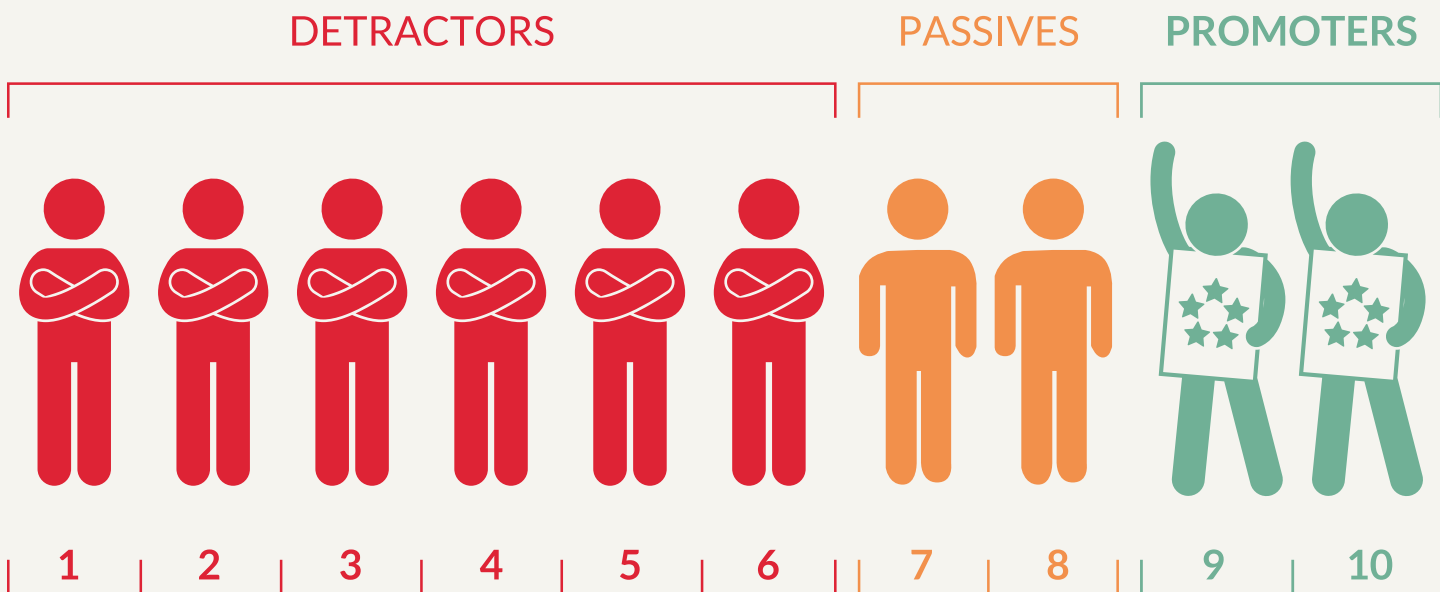
Note on methodology: NPS scores were computed for apps with 1,000+ MAUs only. Like for surveys, these numbers were calculated on a per app basis as well by giving each app individual weightage.

The average NPS score per survey is **+36**

Since the early 2000s, NPS has grown in popularity and has been increasingly adopted by organizations of all sizes to become a standard of sorts when measuring customer experience. However, NPS was created as a metric to understand and measure customers in a way that led to growth and favored "good profit" (earned with customers' enthusiastic cooperation) over "bad profit" (earned at the expense of customers, draining the value out of customer relationships). As a result, organizations of all sizes are adhering to a measurement that is useful, but not complete.

To get more out of NPS, we recommend that our customers add an open-ended feedback box that allows consumers to explain why they chose the score they did. By simply asking customers, "Why did you choose this score?" after the traditional NPS question and allowing them to provide unstructured feedback, we help companies contextualize the NPS score and understand where their customers think the company is doing well and where they need to improve. Gathering open-ended feedback with NPS empowers brands to derive context out of their quantitative NPS score to better understand where they're succeeding and how they can improve. This makes the survey more valuable and relevant for the end customer and company alike.

Messages

In our world of constant connectivity, consumers don't want to be talked at; rather, they expect to have a two-way conversation with brands. They want a relationship with brands where they feel nurtured and their loyalty is valued and appreciated. Instant, real-time conversation is the need of modern customer communication. Be it through social channels, messenger apps, or SMS, consumers are eager to have those two-way conversations, ideally with a human. Also, they want to see their feedback acted upon.

Note on methodology: These numbers are from current Appentive customers with 1,000+ MAUs, and averages have been calculated across the entire dataset.

Apptentive Benchmark

In-app messages

	2018	2017	YoY Difference
Average number of in-app messages sent by customers to brands, per app	2,576	1,464	+76%
Average number of in-app messages received by customers from brands, per app	1,955	830	+135%
Median number of in-app messages sent by customers to brands, per app	199	61	+226%
Median number of in-app messages received by customers from brands, per app	63	23	+174%

As you can see, the average and median volume of messages exchanged between customers and brands has increased over the past year. The **average number of messages sent by customers to brands increased 76%**. And brands responded by engaging from their end as well, with a **135% increase in the average number of in-app messages received by customers from brands**.

This change is reflected in the median number of messages exchanged as well— **174% increase in messages received by customers, and 226% increase in messages received by brands**—validating the importance and growing usage of two-way communication. Having the exchange be a part of the in-app experience makes it even more convenient for customers to leave feedback and go back to what they were previously doing.

Customers should be enabled to leave you feedback without ever leaving the app. They can be encouraged to leave feedback triggered by a note, ratings prompt, or in-app feedback button. We facilitate such two-way conversations through our Message Center.

Consumers appreciate not having to leave the in-app experience, and our customers can choose to proactively engage with them based on the capacity of their customer support team. Apptentive customer InterContinental Hotels Group was able to reap the benefits of this feature when dealing with an unhappy consumer.

The consumer had walked away from a hotel after a dissatisfactory experience. After leaving the hotel, the consumer opened up the IHG app, which is where they had booked their reservation. Using Message Center, the customer told IHG about their frustrating experience. Within an hour, IHG connected them with the customer service team and the problem was addressed and solved.

The big learning is this: Time is of the essence when dealing with mobile customers who carry the world in their pocket. You cannot let a situation escalate too far without taking action on it. If you do, you risk losing the customer forever.

Ratings and Reviews

Ratings and reviews are the lifeblood of the mobile app world. They provide social proof and are responsible for making the first impression on a customer when they encounter your app in the app store.

In a consumer survey we conducted, **77% of respondents** reported that they read at least one review before downloading a free app, and **that number rose to 80%** before downloading a paid app. Additionally, 55% of respondents said a 1-star or 2-star app store rating of a well-known brand's app negatively impacts their view of the brand as a whole.

On the other hand, 71% of respondents said a 4-star or 5-star app store rating of a well-known brand positively impacts their view of the brand as a whole. Ratings and reviews have real consequences on conversion rates and brand reputation.

It may seem like leaving ratings and reviews are arbitrary for consumers, but that's not the case. By connecting with customers at the right place and time, you can direct their feedback to the right place. By nurturing customers this way, you can empower them to show you the love, as well as collect feedback for where you need to improve.

Note on methodology: These numbers are from current Apptentive customers with 1,000+ MAUs, and averages have been calculated across the entire dataset.
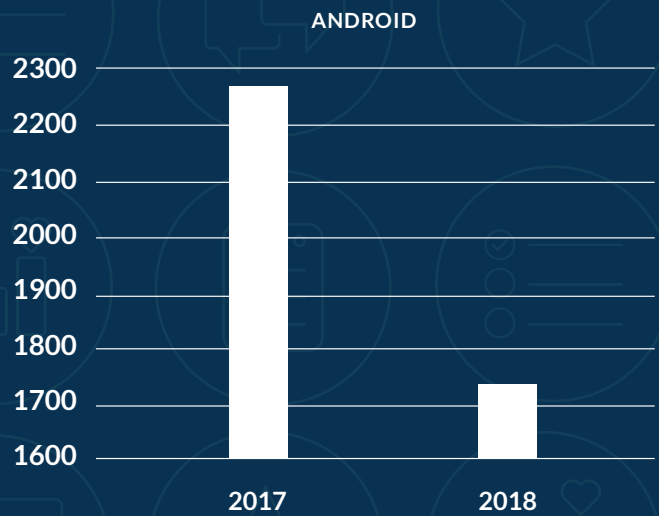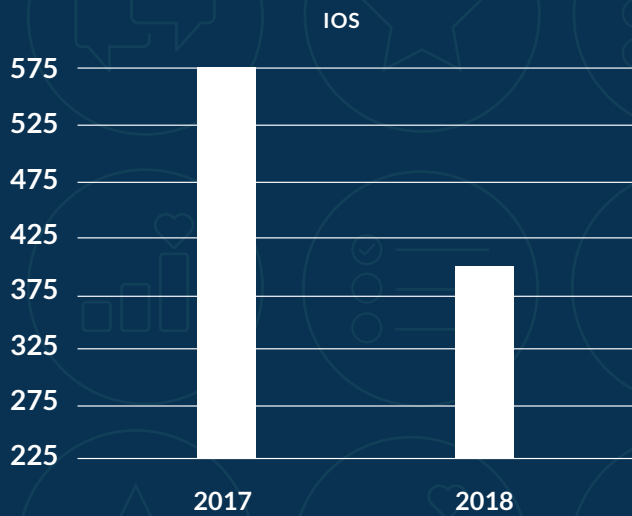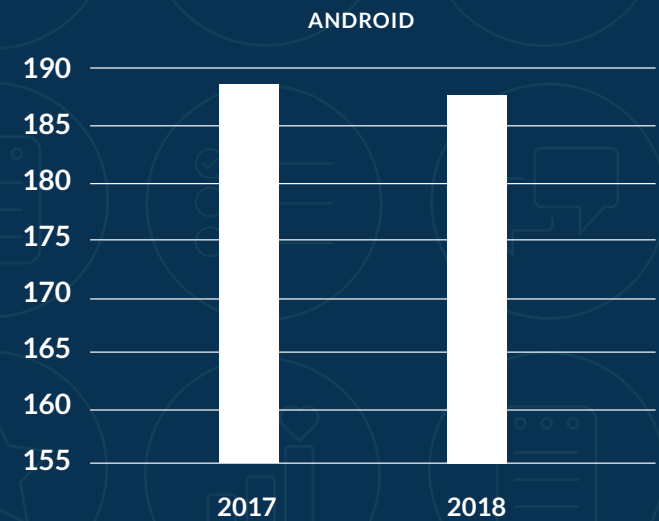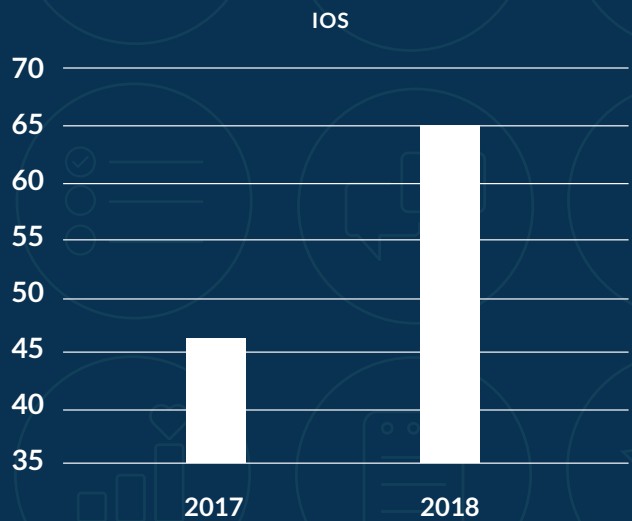
AVERAGE VOLUME OF RATINGS AND REVIEWS

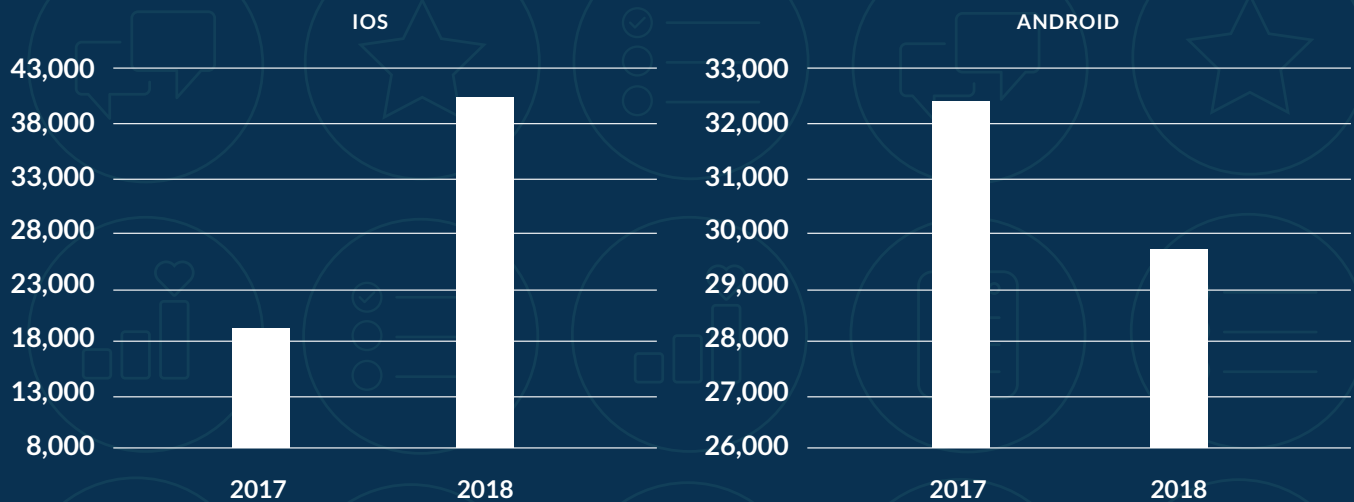### AVERAGE VOLUME OF REVIEWS PER APP

IOS

ANDROID

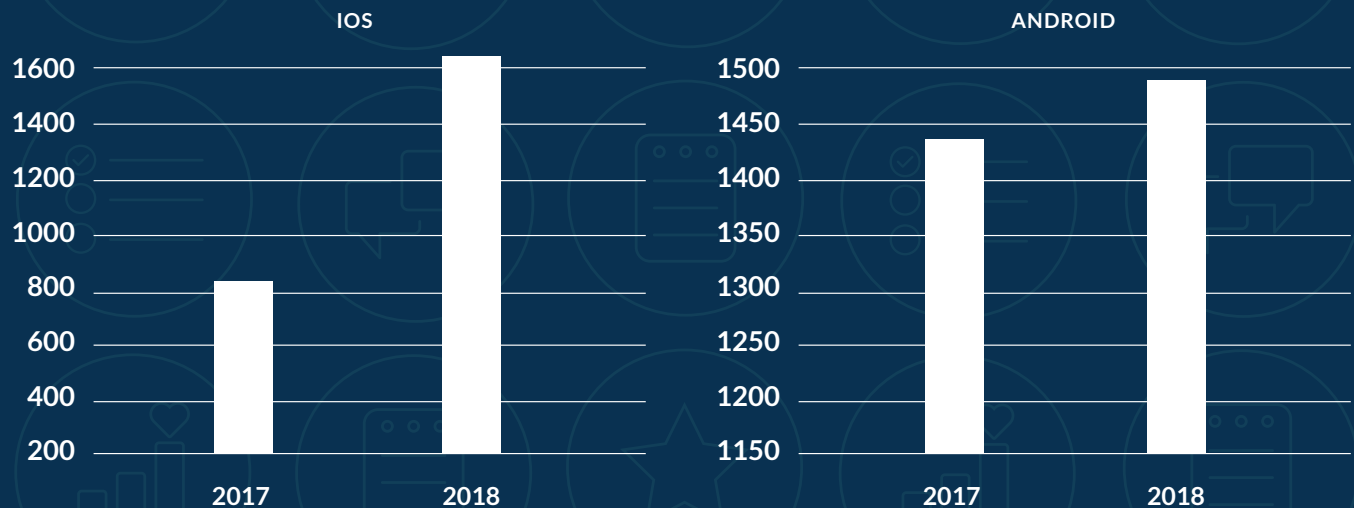### MEDIAN VOLUME OF REVIEWS PER APP

IOS

ANDROID

In iOS, while the **average volume of reviews decreased by 32%** from 2017 to 2018, the **median value increased by 41%**. Similarly on Android, while the average volume of reviews took a 25% hit, the median values remain almost the same. This could indicate that brands are seeing greater consistency in the number of reviews and quality over quantity. Our recent research did show that while the new Apple ratings prompt does well to procure more ratings from customers, it loses traction when it comes to reviews.

AVERAGE VOLUME OF STAR RATINGS PER APP

IOS

	2017	2018
Value range (y-axis)	~19,000	~41,000

Y-axis: 43,000 / 38,000 / 33,000 / 28,000 / 23,000 / 18,000 / 13,000 / 8,000

ANDROID

Y-axis: 33,000 / 32,000 / 31,000 / 30,000 / 29,000 / 28,000 / 27,000 / 26,000

	2017	2018

MEDIAN VOLUME OF STAR RATINGS PER APP

IOS

Y-axis: 1600 / 1400 / 1200 / 1000 / 800 / 600 / 400 / 200

	2017	2018

ANDROID

Y-axis: 1500 / 1450 / 1400 / 1350 / 1300 / 1250 / 1200 / 1150

	2017	2018

The **volume of star ratings for iOS grew by 126%** on average from 2017 to 2018, along with a **median increase of 97%**. That is phenomenal growth owed in part to Apple's new native ratings prompt. Our key takeaway from our research is the Apple ratings prompt has been an indisputable win in terms of quantity of ratings and average rating, but this comes at the expense of the volume of reviews (i.e. direct feedback about your app from end customers), and potentially the quality of those reviews. In this case, "more" doesn't always mean "better." Android on the other hand, saw a 9.5% decrease in the average volume of ratings but a slight median increase at 3.5%.
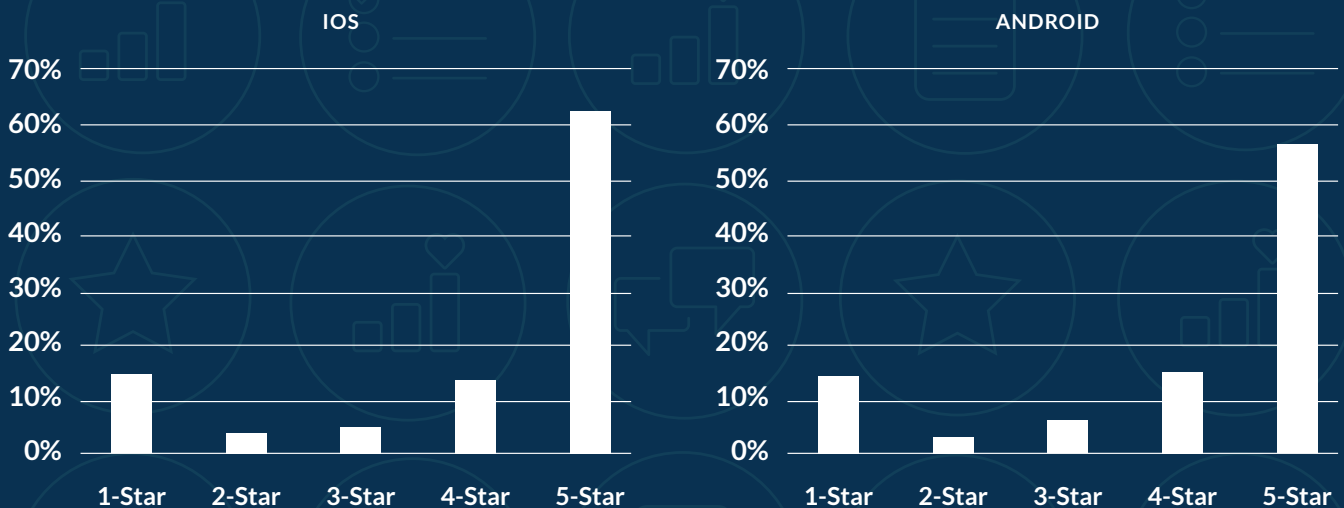
Let's dig a layer deeper and look at how both systems fared in the distribution of star ratings.

DISTRIBUTION OF STAR RATINGS

2018 AVERAGE BREAKDOWN OF STAR DISTRIBUTION BETWEEN ALL RATINGS

IOS

ANDROID
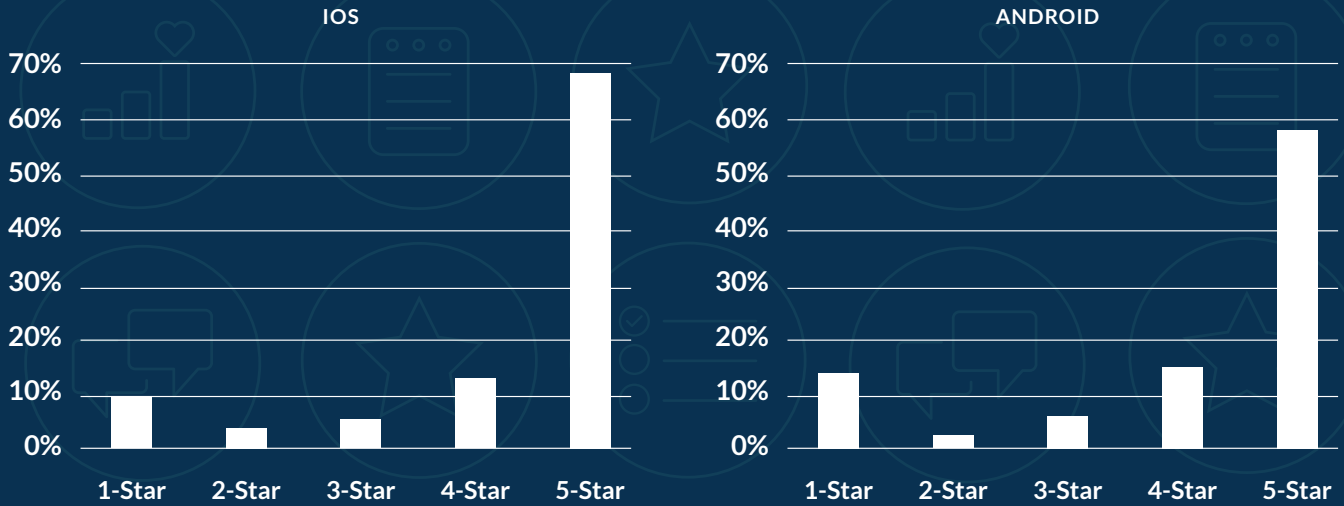
2017 AVERAGE BREAKDOWN OF STAR DISTRIBUTION BETWEEN ALL RATINGS

IOS

ANDROID

There's been good news all around for iOS apps in the ratings and reviews department. From 2017 to 2018, **iOS apps saw a 33% decrease in 1-star and 25% decrease in 2-star ratings respectively, and a 11% increase in 5-star ratings**. Star distribution for Android apps has remained more or less consistent with a 6% decrease in 4-star ratings and 2% increase in 5-star ratings.

Star ratings are very influential in conversion and brand reputation. The opportunity cost of a star and the resultant gain from it can be huge in terms of brand loyalty and revenue. Check out the chart below for more.

THE OPPORTUNITY COST OF A STAR

Jumping From...	To...	Is Expected to Increase App Store Conversion by...
★	★★	30%
★	★★★	340%
★	★★★★	730%
★	★★★★★	770%
★★	★★★	280%
★★	★★★★	540%
★★	★★★★★	570%
★★★	★★★★	89%
★★★	★★★★★	97%
★★★★	★★★★★	4%

Apptentive

Want to learn more about the importance of ratings and reviews?

Check out our guide full of proprietary research:
The Guide to Mobile App Ratings and Reviews.

However, we like to encourage our customers to think about ratings and reviews in a more holistic way. It's not just about what the customer is thinking in the moment when prompted for a rating and review. It is part of a bigger picture and the culmination of the customer's larger journey with you as a brand. If a customer has been asked for feedback at the right time, and then is also shown that the feedback was taken into account and incorporated into the app, you can rest assured that it is going to translate into stellar ratings and reviews.

Takeaways

Customers are hard-pressed to leave feedback in any form, and the way digital customer feedback is gathered is often clunky, time-consuming, and distracting from the goal the customer came to accomplish in the first place.

As our data shows, being customer-centric is not an option anymore. It's no longer a nice-to-have; it's the need of the hour.

Companies must drive urgency and base their business decisions on the most important entity driving revenue: the customer. Data shows that customers expect to be interacted with, and those interactions heavily influence retention. This expectation, coupled with the fact that most brands only hear from less than 1% of their total customer base (the "vocal minority"), means that shifting focus toward customer feedback is critical for brands across all industries in order to stay competitive.

You cannot be customer-centric without developing a deep understanding of your customers. You need to know who they are, what they feel, what they want. And you don't have to guess these things anymore. There are tools—like Apptentive—available that will enable you to reach out to customers, collect feedback, and analyze it in a meaningful and actionable way.

Once you develop that understanding, you can then use your customer's feedback to inform your product roadmap and make data-driven decisions. You can get granular in how you measure what customers feel about your brand, and enlist them as partners in growing your product and providing them a customer experience they will truly cherish.

The remarkable 91% response rate; year-over-year growth in survey answers, ratings, reviews; and the 76% increase in the number of messages sent by customers to brands are all indicative of what is to come in the world of customer feedback. Brands are clearly putting more effort into communicating with customers, and they are beginning to see the results. A 135% increase in the number of messages sent by brands to customers is a bright signal of companies' intent to focus on the customer and drive retention through engagement.

Not only is proactive communication and frequent measurement important for understanding how to build experiences customers love and to serve them better, but it also impacts retention, loyalty, and revenue. You need to hear from a wide and diverse base of your audience to truly drive that change. The "vocal minority" is full of "at risk" or "VIP" customers. This small but loud segment is not fully representative, and it is dangerous to act on feedback that doesn't accurately represent the majority of your customers. To hear from more customers, you need to engage them proactively at the right mobile moment, rather than waiting for them to reach out.

We release this benchmark data so brands can understand how effectively they're measuring their customer experience, communicating with their customers, and earning customer love. If after reading you've realized that you missed the benchmark, we want to help. Connect with us to discuss your options and see how Being Apptentive can move you closer toward these benchmarks immediately.

Missing the (bench)mark? We can help!

Connect with us to learn how.

Join these customer-centric companies in Being Apptentive.

Visit www.apptentive.com to get started today

About Apptentive

Apptentive's customer feedback and analytics platform delivers 100x more mobile consumer feedback, at the right places and times within your digital experience. Using intelligent tools, Apptentive helps enterprise brands proactively engage consumers, uncovering new data to reveal common sentiment, hidden issues, and to drive a better product roadmap. Apptentive gives product managers and CX leaders the keys to their customers' hearts through new historical insights into brand loyalty to support customer-centric decisions. The company powers millions of customer interactions on over two billion devices, helping the world's top brands—including Disney, JetBlue, Buffalo Wild Wings, Overstock.com, Viacom, Zillow, and eHarmony—enhance customer love over time to improve customer experience.