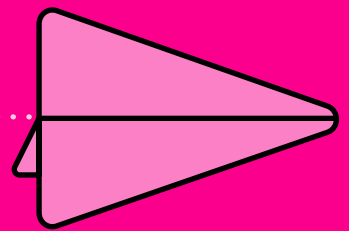
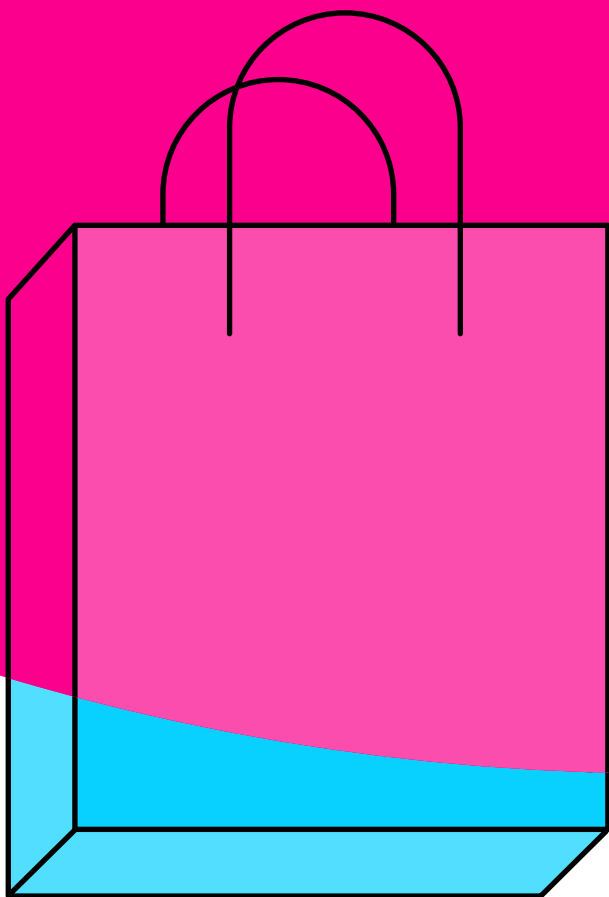


E-commerce App Report 2021

Top trends in mobile shopping
with insights from Sensor Tower



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Introduction, trends and predictions

Lockdowns have drastically shifted the way consumers interact with mobile and accelerated the move toward m-commerce, eclipsing previous years' predictions. As restrictions have progressively eased throughout 2021 in many markets, mobile e-commerce has once again shown its strength, with installs and sessions increasing impressively.

"The e-commerce vertical has experienced immense growth since the start of the pandemic. It hasn't just been about new users turning to mobile to shop and make purchases, the kind of services people require from mobile has also changed. What's most impressive is that even as shops slowly open up globally, e-commerce apps have managed to hang onto the users acquired while continuing to grow and acquire even more new customers. It's a testament to the longevity and robust nature of the business models, and how successful they are in providing customers with convenient and user-optimized experiences."



Paul H. Müller,
Co-Founder and CEO

ADJUST

While much of the shift to m-commerce can be attributed to demand and pandemic-related necessity, developers have continuously improved, diversified, and expanded the reach and potential of their apps. The changes to user acquisition (UA) brought about by iOS 14.5+ and Apple's App Tracking Transparency (ATT) framework have also changed the way e-commerce marketers on iOS approach their UA and user experience strategies, optimizing toward the opt-in but also learning to work with SKAdNetwork, conversion values, and an ecosystem with less granular data. Once again, the e-commerce vertical has demonstrated its ability to thrive in the face of challenges and changes.

The popularity of m-commerce apps is soaring, and it's the marketers and developers who can best identify and successfully acquire high-quality and loyal users that will continue to reap the benefits. This report equips advertisers with the metrics required to make smart decisions about campaign spend and budget allocation.

"While we're still fully coming to terms with the lasting impact of COVID and social distancing on the way we live our daily lives, it's clear that we're entering a new phase of digital and especially mobile commerce. Major brands are leveraging all the channels at their disposal to engage with consumers and build loyalty, from online to in-app to in-store, and that follow-through is creating a brand new context for shopping. All signs point to a new era where multi-touchpoint commerce can grow and thrive."



Alex Malafeev,
Co-Founder





Mobile: the new leader in e-commerce

Following an impressive 2020, m-commerce has emerged as the leader in e-commerce this year. By the end of 2021, [54% of total e-commerce sales](#) are predicted to come from mobile, and global mobile e-commerce sales are set to hit \$3.56 trillion, up 22% from 2020.

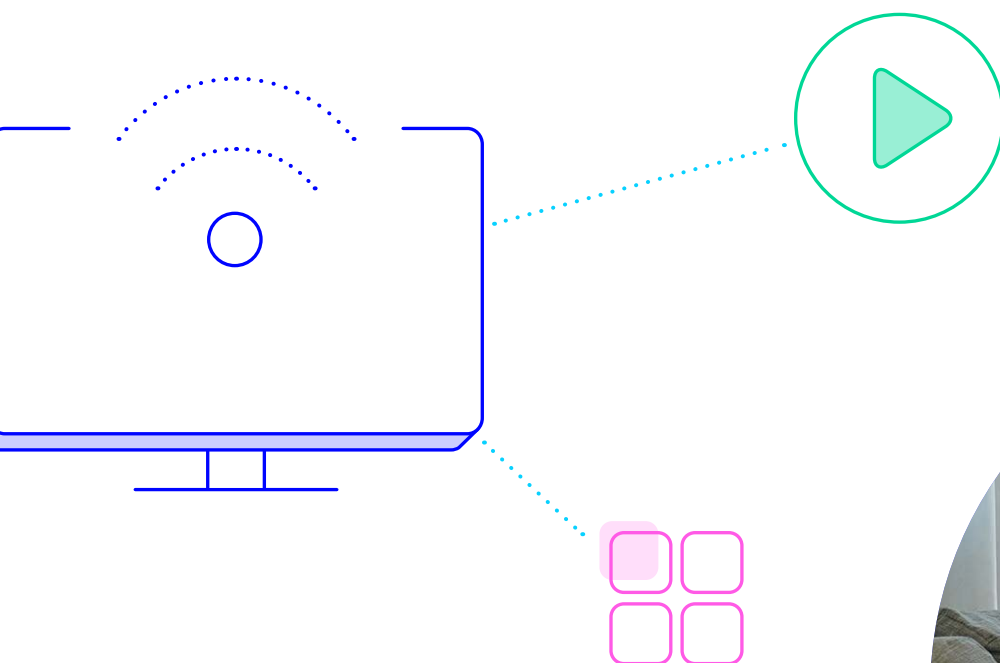
When it comes to navigating this highly competitive space, marketers and developers need to focus on creating convenient and [seamless cross-device experiences](#), and on successfully incentivizing and retaining their users. The global mobile coupon industry, for example, is expected to grow at a [CAGR of 56.5%](#) by 2025.

CTV

Connected TV (CTV) engagement continues to dramatically increase year-over-year, making it a rising star in the programmatic ad space. Households with CTV in the U.S. alone are estimated to reach [113 million by 2024](#), and CTV now accounts for [40%](#) (and growing) of all digital video impressions.

CTV provides a huge opportunity for e-commerce brands. Roku and Shopify [recently announced a partnership](#) to bring a Roku app for CTV ad creation and campaign management to the dashboard of all Shopify merchants. And [YouTube has expanded their video action campaign](#) ad format to CTVs, which aims to make YouTube ads more e-commerce-friendly by inviting users to shop on a brand's website or app from their mobile device without disrupting their viewing session.

As the CTV space grows, so does the importance of [attributing ads](#) shown on CTV devices — cross-device — to mobile app installs, impressions, and post-install events.





Social commerce

Social commerce has established itself as a major player in the e-commerce and m-commerce industries as shopping and checkout capabilities continuously improve. Platforms such as TikTok (which has partnered with Shopify), Instagram, SnapChat, and Twitter have all introduced new shopping features to expose platform users to products and create paths for them to make direct purchases.

One of the major drivers of social commerce growth is short-form video, of which TikTok is the undisputed leader. With 1 billion active users, the platform recently ran a live streaming test with Walmart, where viewers could click through to purchase any items mentioned during the stream. A recent report by 5W Public Relations also found that [28% of users on TikTok](#) had bought something advertised to them on the platform at least once.



Conversational AI

In 2020, approximately [7% of connected device](#) owners in the U.S. (20 million people) made a purchase using a voice assistant, a number which has nearly doubled in the last two years and is expected to grow over the coming years. And according to data from [Salesforce](#), chatbot usage has increased 67% between 2018 and 2020.



Gamification

Two of the key challenges for e-commerce apps are abandoned carts and customer loyalty — both of which are increasingly being addressed with gamification, a marketing tactic that increases engagement by encouraging participation and offering rewards. Popular methods include trivia, spin-the-wheel functions, or scavenger hunt games like [Burger King's "Whopper Detour,"](#) where customers/players within 600 feet of a McDonald's could receive a 1 cent whopper by downloading the Burger King app and ordering within one hour. The campaign resulted in 1.5 million downloads.

Top 3 takeaways

1

Installs in the e-commerce vertical have grown **10%** so far in 2021 compared to 2020 – and sessions have jumped by **12%**.

2

Session lengths have steadily increased, up from **10.07 minutes** in 2019 to **10.42 minutes** in 2020 to **10.56 minutes** in 2021 so far. EMEA has the highest session lengths in 2021, at **10.97 minutes** per session.

3

In-app revenue has increased significantly in 2021, with May outperforming Q4 of 2020, and it's **set to reach an all-time high** as we round out the holiday season.

Methodology

**Adjust dataset:**

A mix of Adjust's top 2,000 apps and the total data set of all apps tracked by Adjust. Our data comes from two sources, one including a list of 45 countries and one with ~250 based on the ISO 3166-1 standard.

Reattributions share and paid/organic:

Reattributions share and paid/organic ratio are both expressed as ratios, where X:1. In the case of paid/organic ratio, a value of 3 (3:1) would mean for every 100 organic installs there are 300 paid installs. Similarly for reattribution share, a value of 0.7 (0.7:1) would mean for every 100 installs there are 70 reattributions.

Date:

01.01.2019 - 09.30.2021

Sensor Tower dataset:

Sensor Tower data in this report reflects the top 150 e-commerce apps by installs between Q1 2019 - Q3 2021.

Downloads:

Figures cited reflect the App Store and Google Play. Download estimates presented are on a per-user basis, meaning that only one download per Apple or Google account is counted toward the total. Downloads of the same app by the same user to multiple devices, updates, or re-installs of the same app by the same user are not counted toward the total. Android app install estimates represent downloads from the Google Play Store only and do not include download estimates for third-party Android stores.

Date:

01.01.2019 - 09.30.2021





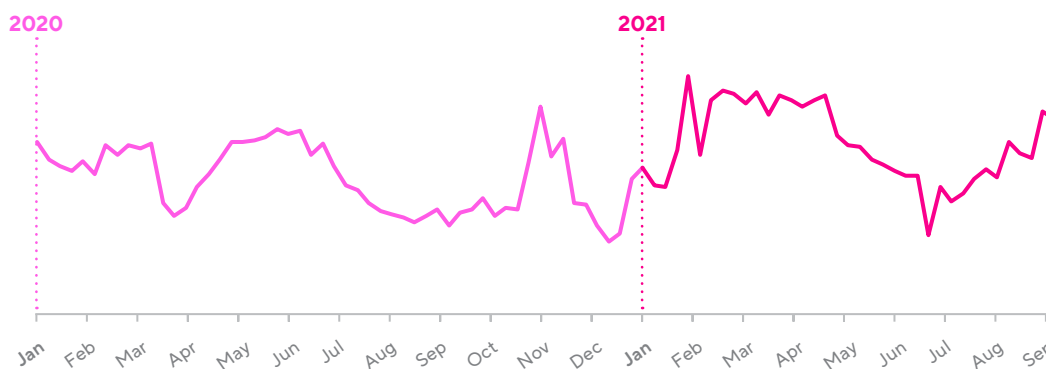
Part 1:

Downloads, installs, and user acquisition

Installs

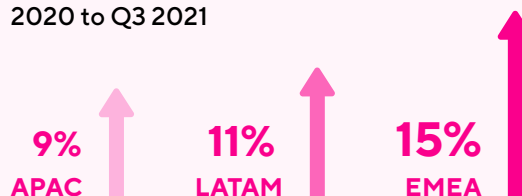
Globally, installs of e-commerce apps have risen by 10% in 2021 compared to 2020. Considering how strong 2020 was for e-commerce app installs — including a [record Black Friday](#) — this is a very positive sign that demonstrates robust and continued growth for the e-commerce vertical.

Global e-commerce installs 2020 to Q3 2021



Looking at regional data, some differences become apparent. In APAC, installs rose by 9%, in LATAM they rose by 11%, and in EMEA, they rose by 15% – all substantial growth numbers, with the latter two beating out the global average.

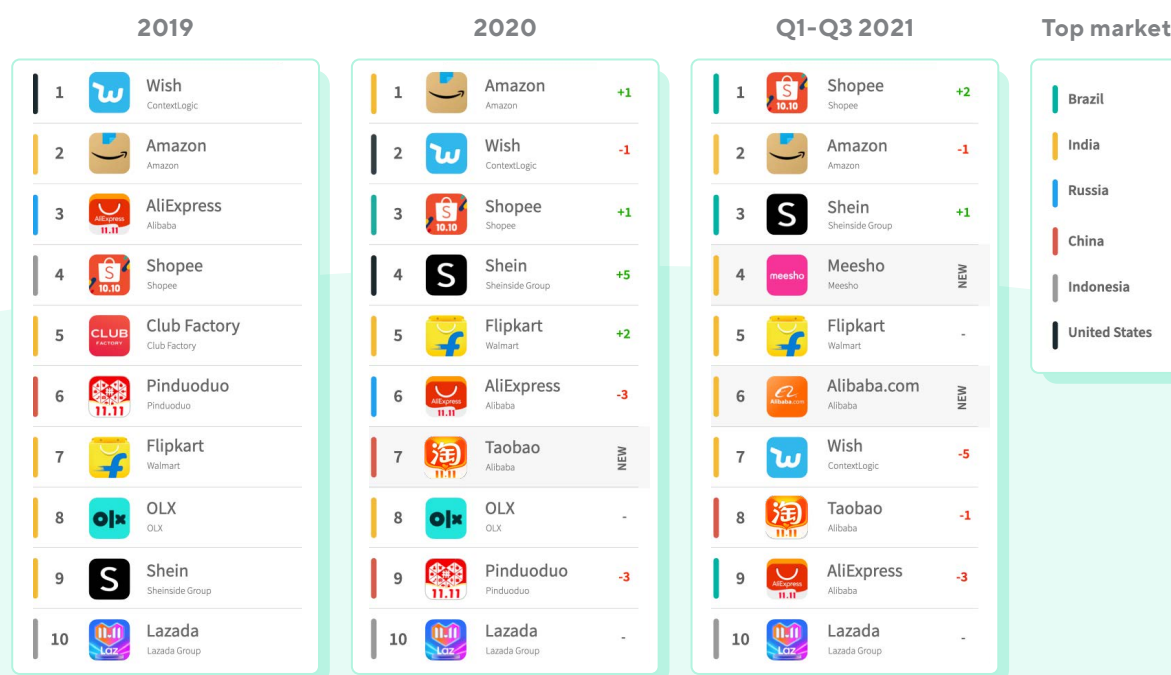
E-commerce install growth 2020 to Q3 2021



Insights from Sensor Tower

Sensor Tower data shows the top apps in the e-commerce vertical globally, showing that Shopee has made its way to the top in 2021 so far, with Brazil as its key market.

Top e-commerce apps by worldwide downloads 2019 to Q3 2021 App Store and Google Play



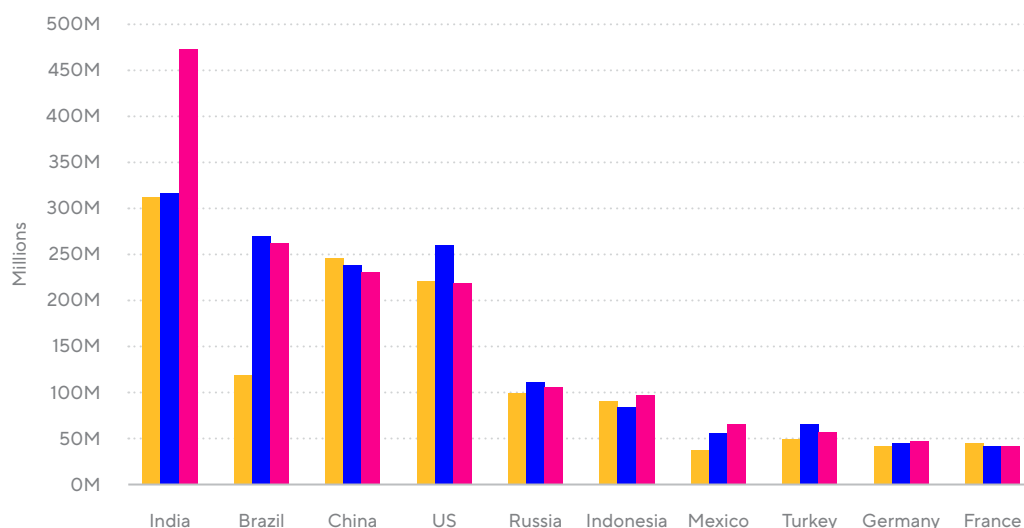
As Google Play is not available in China, China only includes the App Store, while other countries include both.
Source: Sensor Tower

In terms of downloads growth so far in 2021, India has seen the most impressive spike, with Indonesia and Mexico also outperforming their 2020 numbers.

Top countries by e-commerce downloads 2019 to Q3 2021 App Store and Google Play



■ Q1-Q3 2019 ■ Q1-Q3 2020 ■ Q1-Q3 2021



Source: Sensor Tower

“M-commerce has finally expanded beyond the core shopping markets to become a global phenomenon, with LATAM and APAC exploding in growth. Meanwhile, the trailblazers in the e-commerce space continue to build their user bases in well-established markets like the U.S. and China. Expect retail giants and newcomers alike to thrive on digital channels during the upcoming shopping holidays.”



Randy Nelson,
Head of Mobile Insights

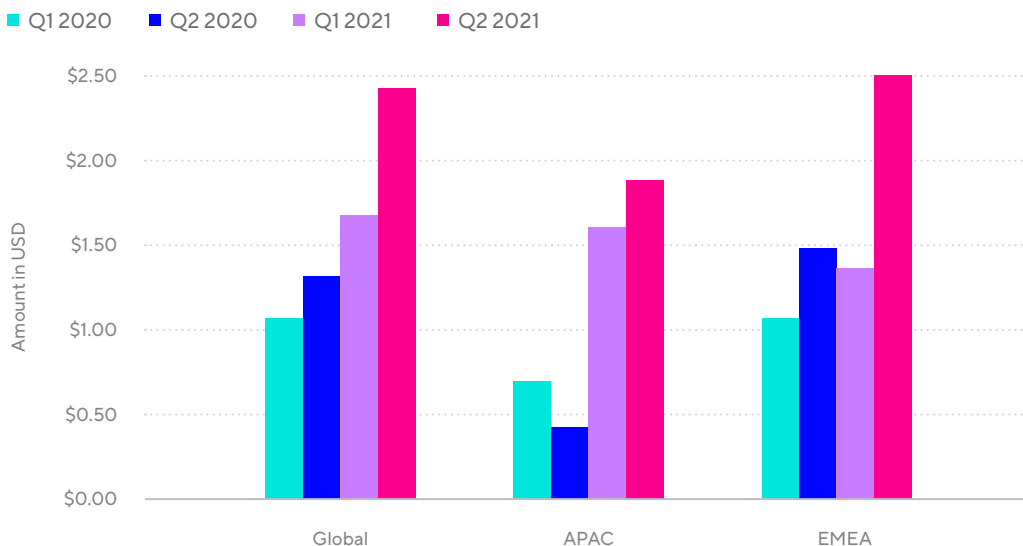


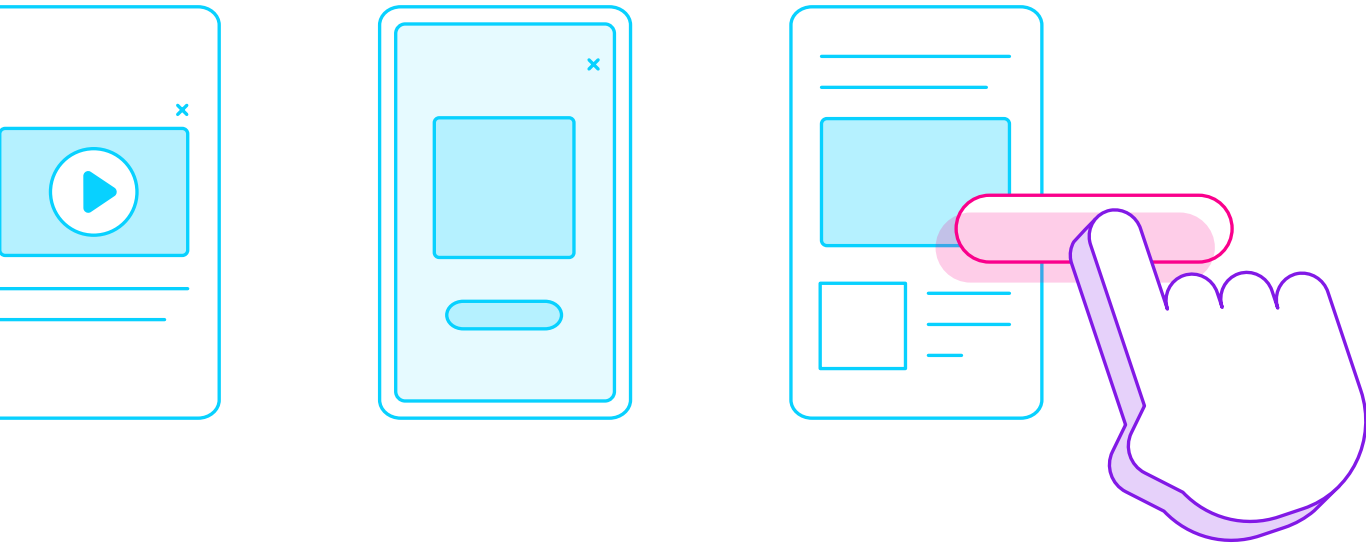
Effective cost per install (eCPI)

Q1 and Q2 of 2021 have seen an uptick in eCPI compared to the same time the previous year. Globally, the cost to acquire users rose from \$1.06 in Q1 of 2020 to \$1.67 in Q1 of 2021. Q2 saw a more dramatic rise, with install costs rising from \$1.31 in Q2 of 2020 to \$2.42 in Q2 2021. As app markets grow, app marketers are faced with increased competition for user attention, often resulting in increased install prices. As averages differ from network to network, it can be beneficial for advertisers to explore new partner opportunities, and as we examine below, this appears to be what the industry has pivoted toward.

APAC has seen the highest rise in eCPI, more than tripling from 2020 to 2021. Costs went from \$0.69 in Q1 2020 to \$1.60 in Q1 2021, and \$0.42 in Q2 2020 to \$1.88 in Q2 2021. In EMEA, the change was similar in absolute terms but more modest in relative terms, rising from \$1.06 in Q1 2020 to \$1.36 in Q1 2021, and from \$1.48 to \$2.49 in Q2 2021.

eCPI e-commerce H1 – 2020 vs. 2021

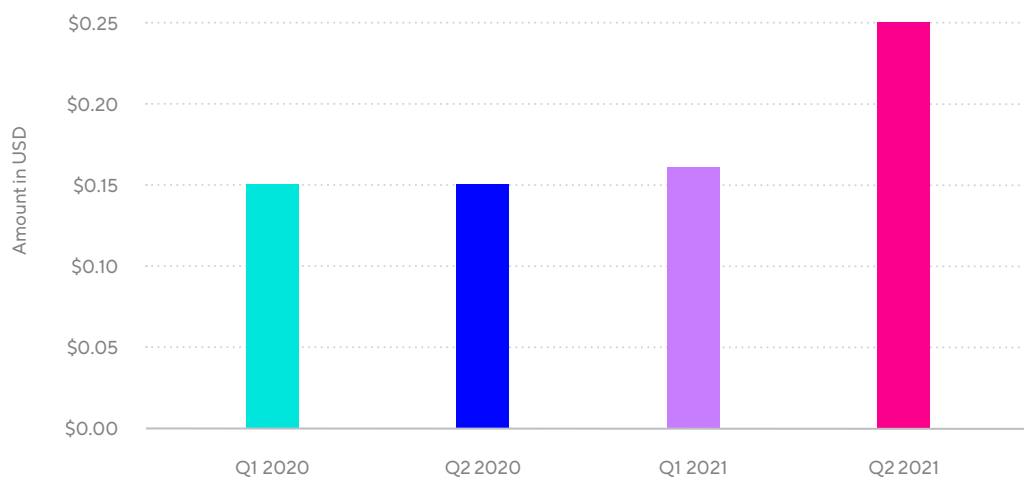




Effective cost per click (eCPC)

Prices for clicks have also risen in 2021. While Q1 saw a very slight increase, rising from \$0.15 in Q1 2020 to \$0.16 in Q1 2021, Q2 was more dramatic, up to \$0.25 in 2021 compared to \$0.15 in Q2 the year before.

eCPC e-commerce H1 – 2020 vs. 2021

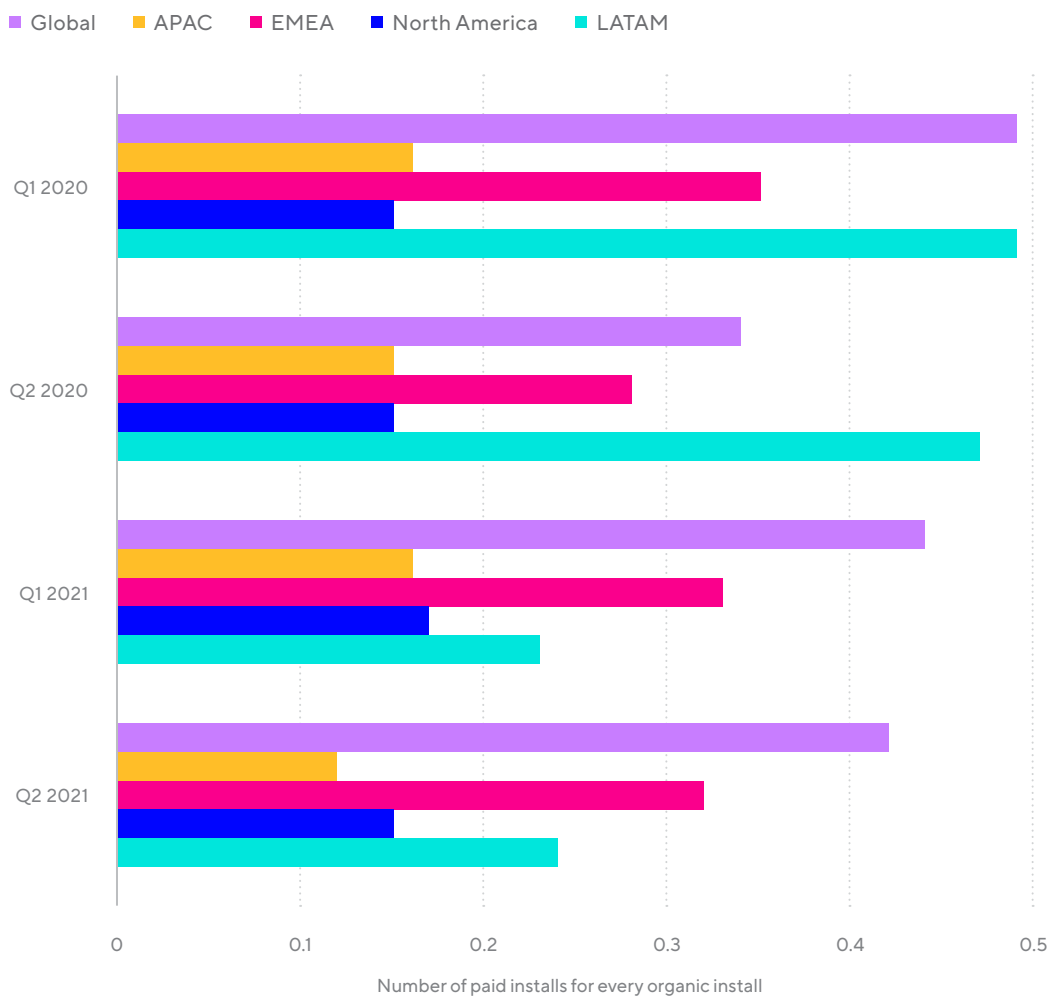


Paid vs. organic installs

Globally, the share of paid installs relative to organic installs is slightly lower in the first half of 2021 (0.44 and 0.42) compared to Q1 of 2020 (0.49), but up from Q2 of 2020 (0.34).

Notably, the paid/organic ratio in LATAM has dropped substantially in 2021, down to 0.23 and 0.24 in Q1/Q2 of 2021, compared to 0.49 and 0.47, respectively the previous year, reflecting organic growth in that region. Other regions saw the paid/organic ratio at a high or near-high in Q1 of 2021, compared to 2020 or Q2 of 2021 (with the exception of EMEA, which saw a higher paid ratio in Q1 2020 at 0.35, compared to 0.33 in Q1 2021).

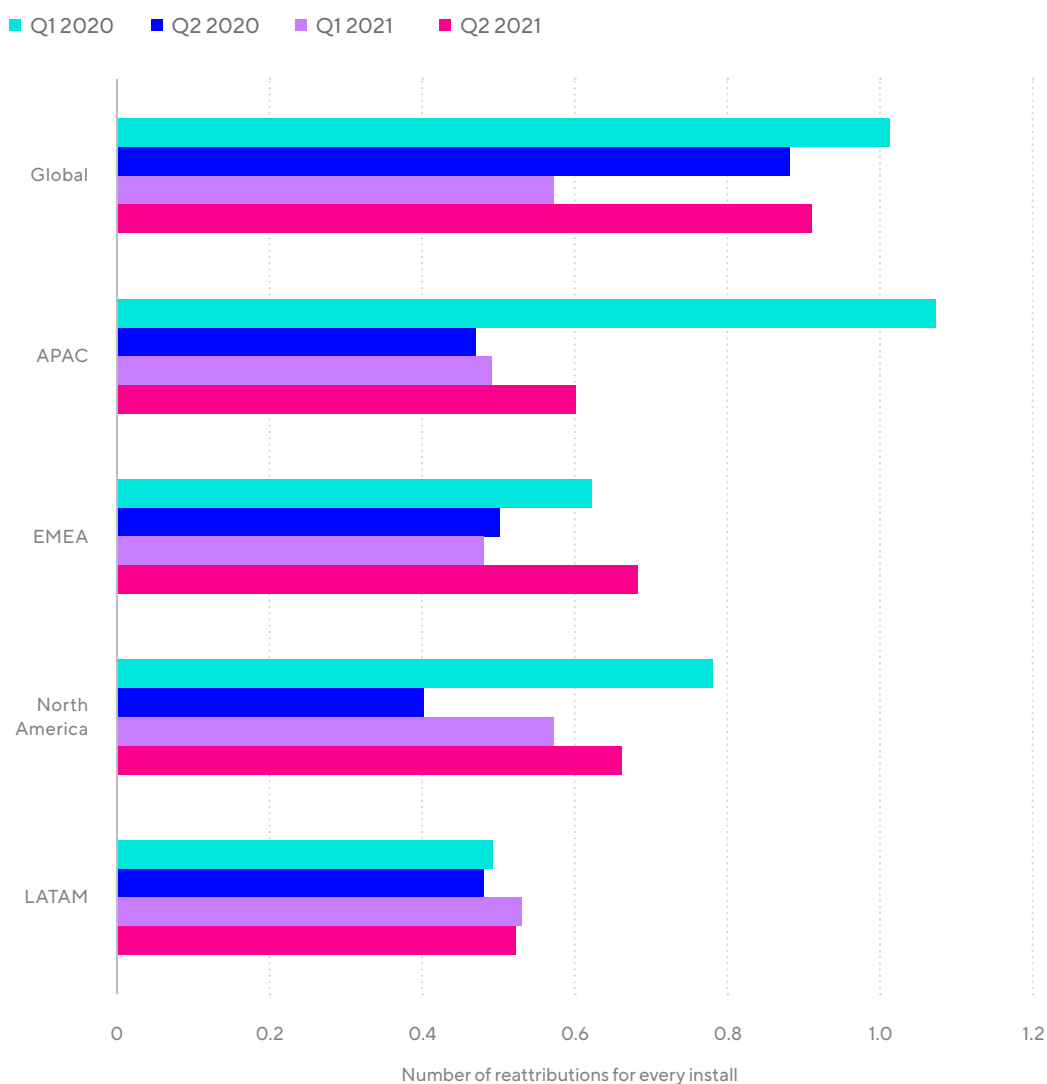
Paid/organic ratio H1 – 2020 vs. 2021 (e-commerce)

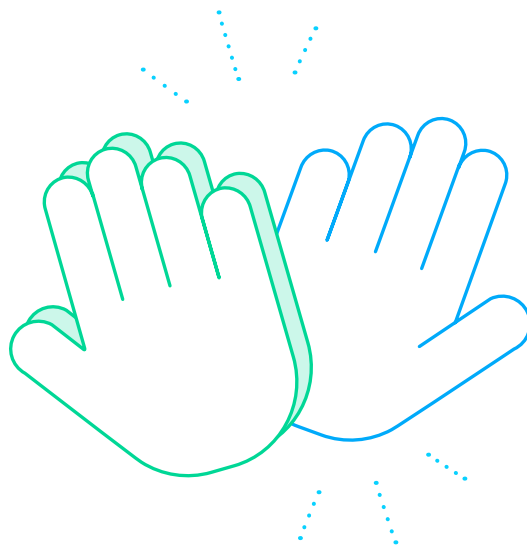
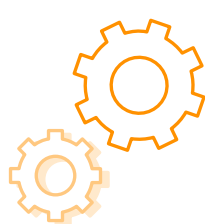


Reattribution share

Overall reattribution share (the number of reattributions for every install) was high in Q1 of 2020, dropped in Q2 of 2020 and Q1 of 2021, and rose again in Q2 of 2021. This trend is consistent globally and by region, with the exception of LATAM, which has seen higher reattribution shares in 2021 (0.53 in Q1 and 0.52 in Q2 compared to 0.49 and 0.48 in 2020, respectively). EMEA has also seen a reattribution share rise overall, reaching an all-time high of 0.68 in Q2 2021 – compared to 0.62 in Q1 2020, 0.5 in Q2 2020, and 0.48 in Q1 2021.

Reattribution share H1 – 2020 vs. 2021 (e-commerce)



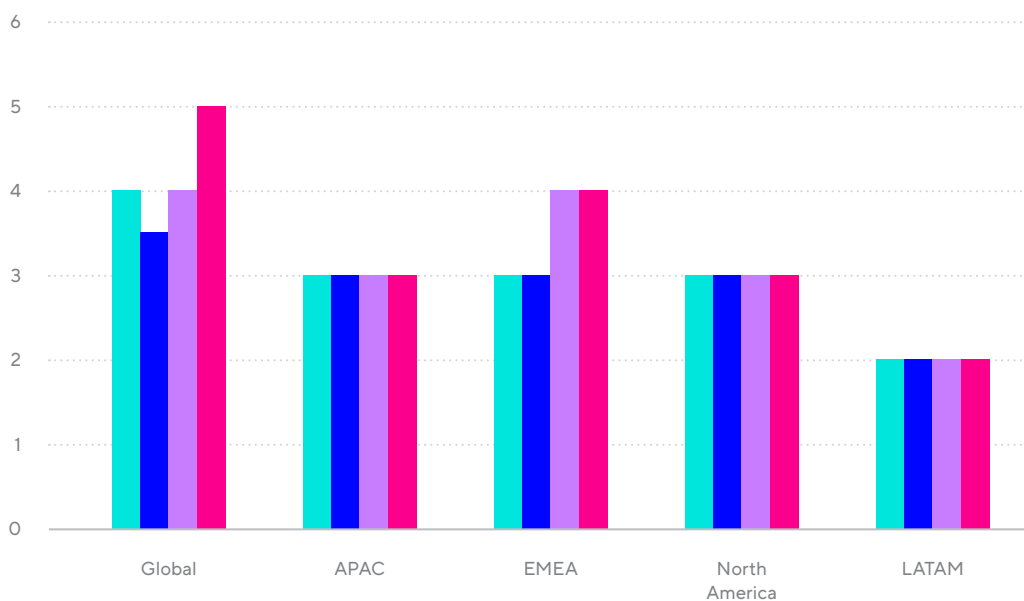


Number of partners per app

The median number of partners per e-commerce app has grown globally but remained consistent in some markets. With a median of three in APAC and North America and two in LATAM, EMEA saw a rise from three per app in 2020 to four in 2021. Globally, the median rose to five in Q2 of 2021, up from four in Q1.

Partners per app H1 – 2020 vs. 2021 (e-commerce)

■ Q1 2020 ■ Q2 2020 ■ Q1 2021 ■ Q2 2021



iOS 14.5+ and the opt-in

While the lead up to and roll-out of iOS 14.5 on April 26 sent shockwaves throughout the mobile advertising industry, the true impact that Apple's ATT opt-in is having is becoming clearer. From the moment the update went live, we've been analyzing our data to get a better picture of the changes and movements happening. While many articles have suggested that global consent rates could sit as low as 5%, we've found that the situation is significantly better, with the **e-commerce opt-in rate hovering at an average of 17%**. This number can be further bolstered by defining a UX strategy that optimizes toward consent — starting with the pre-permission prompt.

We predict that consent rates will continue to rise over time. As adoption rates continue to trend upwards, users will become more educated on the value of relevant advertising. And for those users who don't opt-in, learning to work effectively with SKAdNetwork and how to define conversion value models and leverage the first 24-hours can yield results as impressive as before.



17%

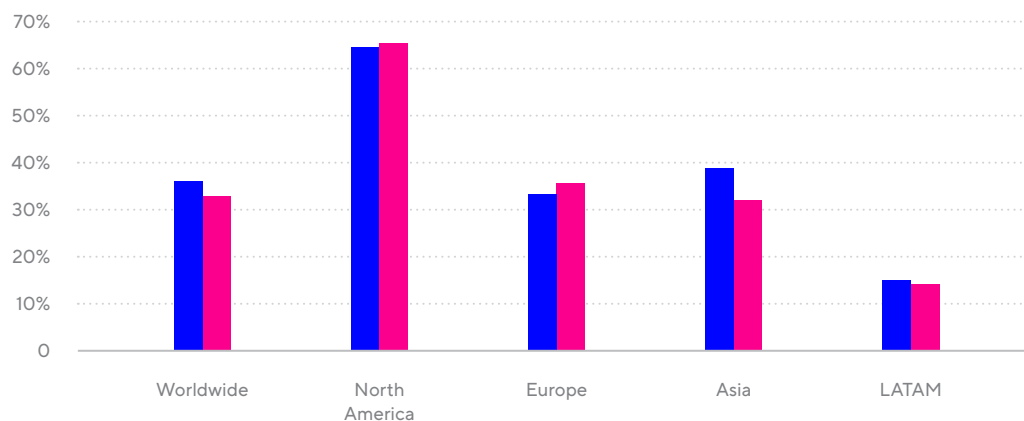


According to Sensor Tower, e-commerce advertising budgets have shifted slightly toward Google Play, with the Apple App Store's share of e-commerce downloads compared to Google Play dropping slightly throughout 2021, or since the roll-out of iOS 14.5 in April.

App Store share of e-commerce downloads 2020 vs. 2021



■ Q1-Q3 2020 ■ Q1-Q3 2021



Source: Sensor Tower



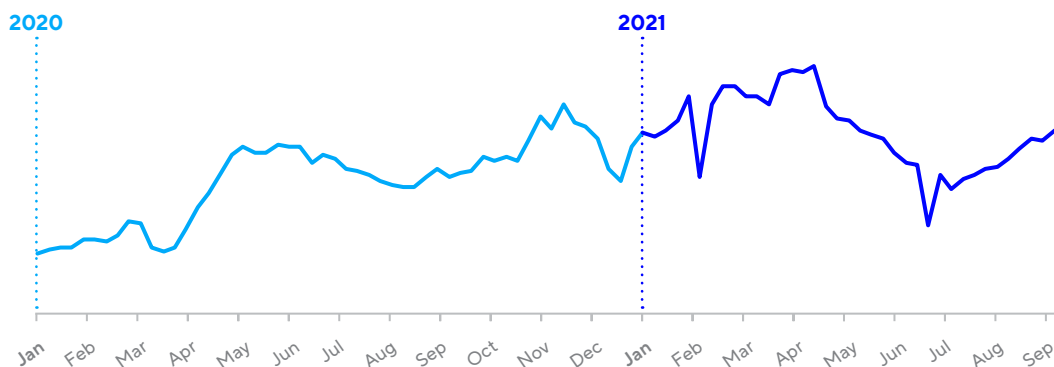
Part 2:

Sessions and in-app behavior

Sessions

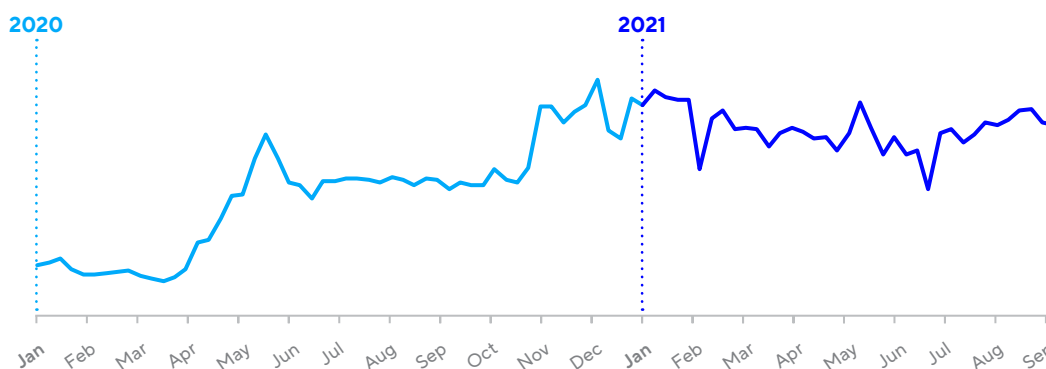
Globally, sessions rose by 12% from 2020 to 2021 so far. In APAC, this growth reached 10% and in EMEA the jump was a little bit higher, sitting at 13%. This continued growth is particularly impressive when contrasted with growth already seen in 2020, an exceptional year for e-commerce, which grew by an average of 44% YoY. 2021's peak so far occurred around the end of April in the two weeks leading up to Mother's Day, with sessions 10% above the yearly average so far. While they've since started to dip, we can see a significant uptick starting around August and continuing into the leadup to the peak holiday season.

Global e-commerce sessions 2020 to Q3 2021



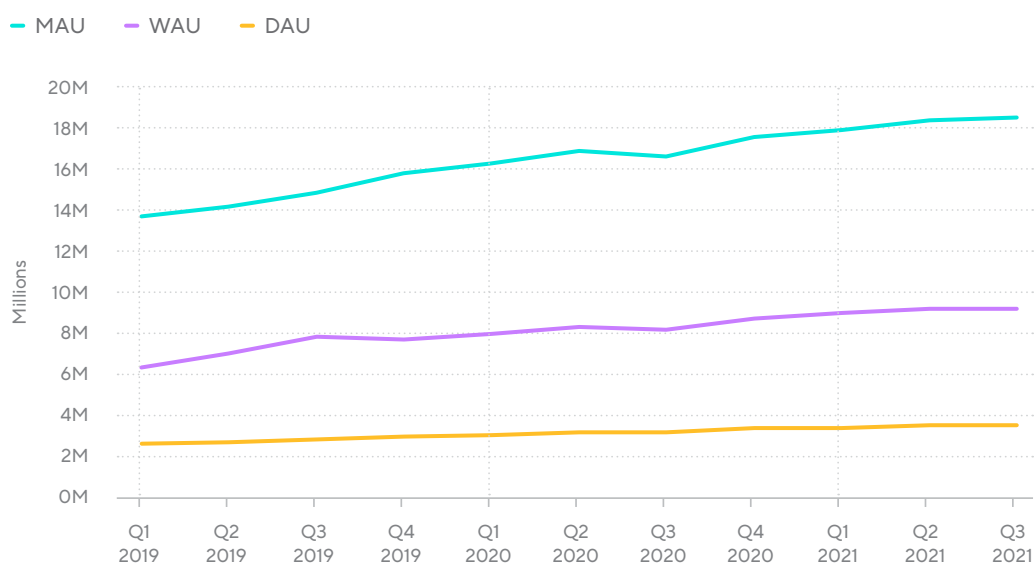
LATAM, however, is where sessions have seen the biggest uptick in 2021 so far, jumping by 27% overall and maintaining sustained growth after seeing a huge boost in 2020's peak season.

LATAM e-commerce sessions 2020 to Q3 2021



Sensor Tower data also shows the average number of monthly, weekly, and daily active users steadily increasing from 2019 through to 2021.

Average active users among top e-commerce apps 2019 to Q3 2021



Source: Sensor Tower

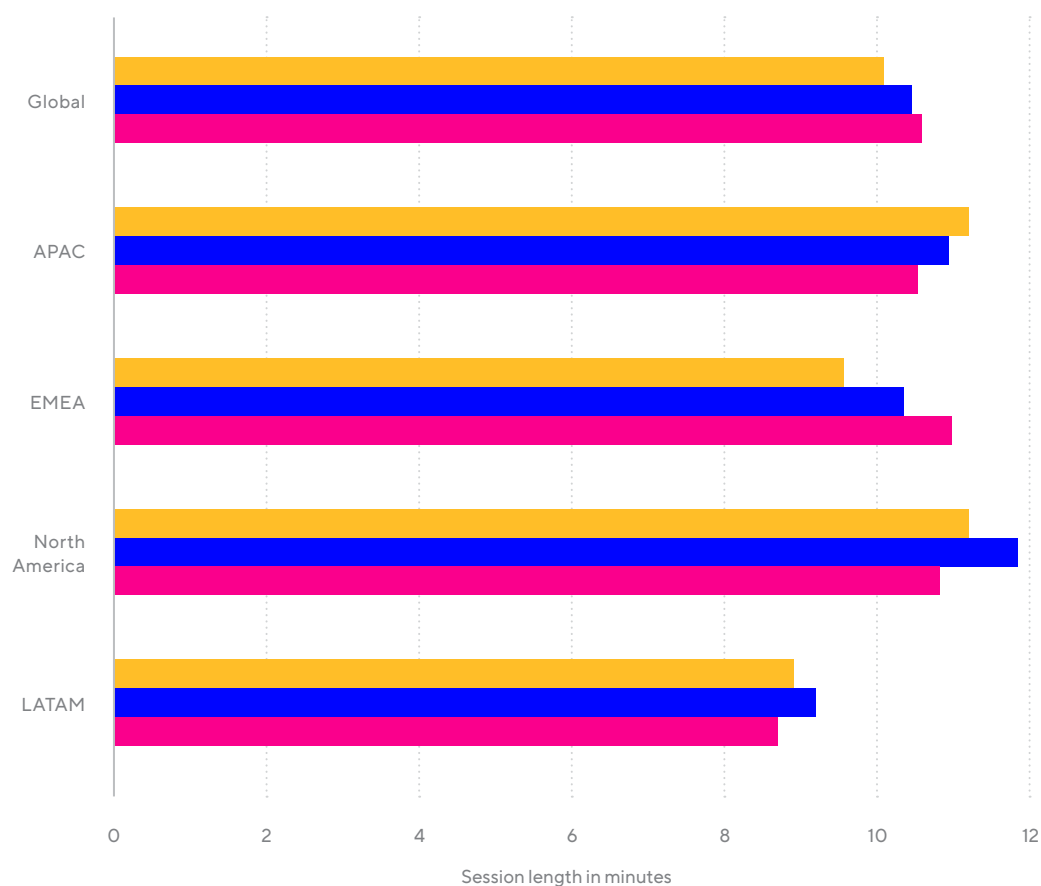
Average session lengths

Globally, average session lengths have steadily increased, up from 10.07 minutes in 2019 to 10.42 minutes in 2020 and again to 10.56 minutes in 2021. Regionally, the progression has been mixed. While APAC has seen a slight decline (due in part to huge increases in user numbers and variety of apps), EMEA has followed the upward trend, with average session lengths increasing from 9.54 minutes in 2019 and 10.33 minutes in 2020 up to 10.97 in 2021.

Following growth in 2020, LATAM and North America have both seen slight dips this year, but heading into peak season, we expect to see these numbers rise.

Average session lengths e-commerce 2019 to 2021

■ 2019 ■ 2020 ■ 2021

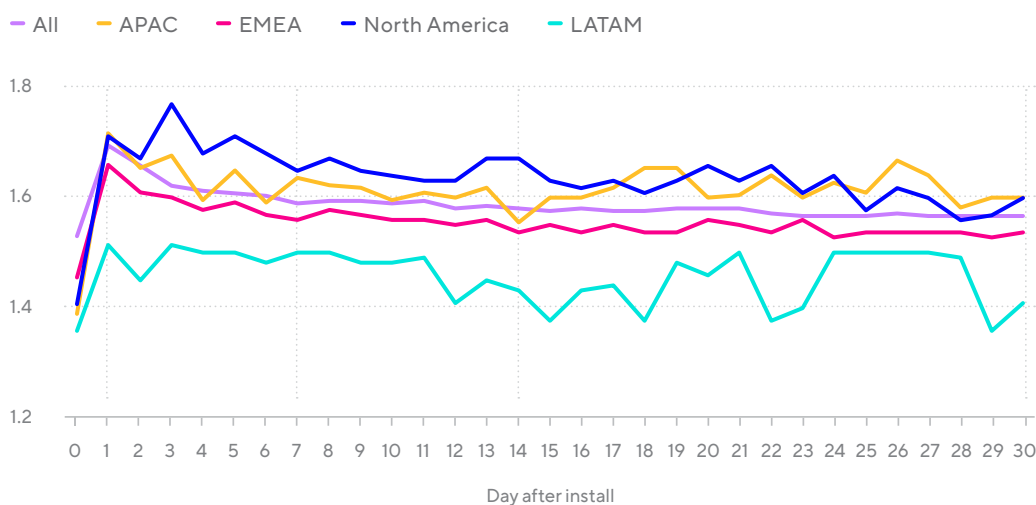


Sessions per user per day

The median number of sessions per day for e-commerce users has dropped slightly in 2021 so far compared to 2020. Where the average user in Q2 of 2020 engaged in 1.99 sessions per day on Day 1 and 1.82 on Day 7, the average user in Q2 of 2021 opened an e-commerce app 1.69 and 1.59 times on the same days. While possibly the result of markets opening up globally, it can also be attributed to the diversification of e-commerce apps — it's now quicker and easier than ever to carry out an action in-app. And while sessions per user per day may have declined, in-app purchases are up.

Taking a closer look at Q2 of 2021, the differences between the regions are interesting, with users in APAC and North America the most engaged on Day 1 (1.71 sessions), Day 7 (1.64 and 1.65), Day 14 (1.56 and 1.57), and rounding out on Day 30 with 1.60 sessions in both regions.

Sessions per active user per day e-commerce Q2 2021



"It is remarkable that e-commerce apps have achieved such rapid growth while also greatly enhancing the user experience. As more and more consumers make purchases on their mobile devices, retailers have reduced friction in mobile shopping, resulting in quick transactions that fit in our busy lives and lead to frequent repeat engagement."

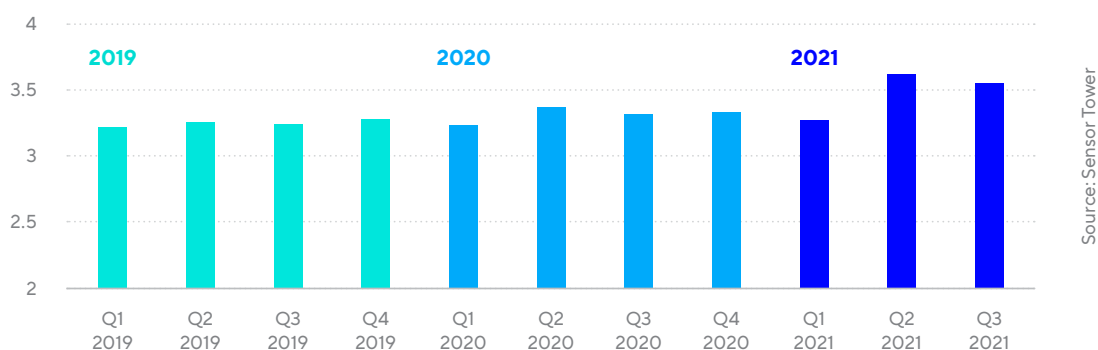


Lou Hong,
Vice President of Marketing



Sensor Tower reports that among their top 150 iOS apps, these numbers are even higher, with the global average in Q3 of 2021 coming in at 3.5 sessions per user per day.

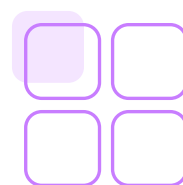
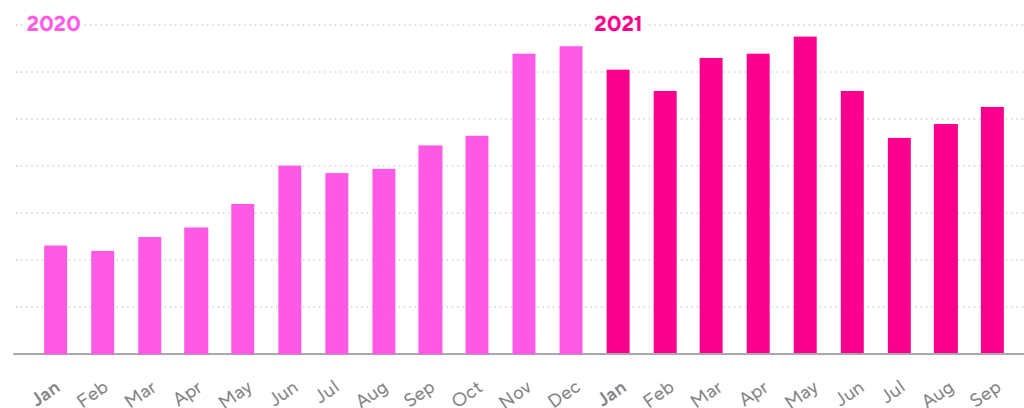
App Store share of average daily sessions among top 150 e-commerce apps 2019 to Q3 2021



In-app revenue

In-app revenue has increased significantly in 2021, with May 2021 the biggest month so far. Since May, overall revenue has slowly declined but has bounced back again by the end of Q3. This follows the overall trend for the e-commerce vertical, where Q4 is the best performing period of the year. Looking at revenue from 2020, it's clear that October, November, and December outperformed the previous nine months.

In-app revenue e-commerce 2020 to Q3 2021



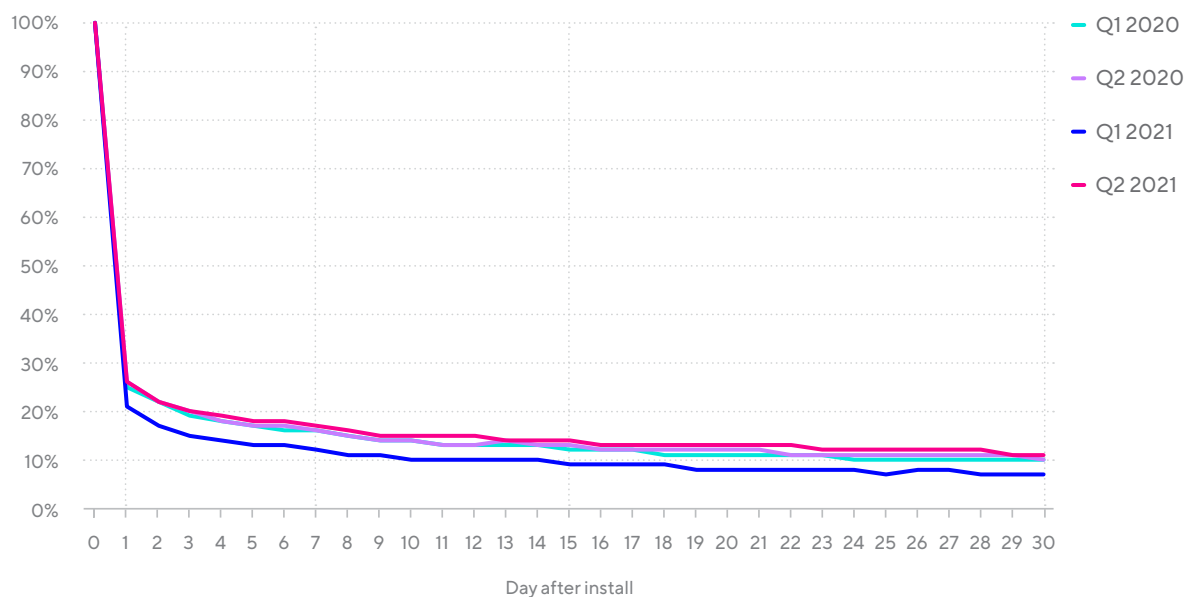


Bonus

Retention rates

After a slight drop in Q1 when compared to 2020, retention rates picked back up in Q2 of 2021. Day 1 came in at 26% in Q2 of 2021, up from 21% in Q1 and matching Q2 2020. Q2 2021 maintained higher retention rates than any other quarter, holding at 17% for Day 7, 14% for Day 15, and 11% for Day 30. The growth in retention rates, even when compared to the peak of global lockdowns in 2020, lines up with the other data points measured to paint a picture of a healthy and growing sector.

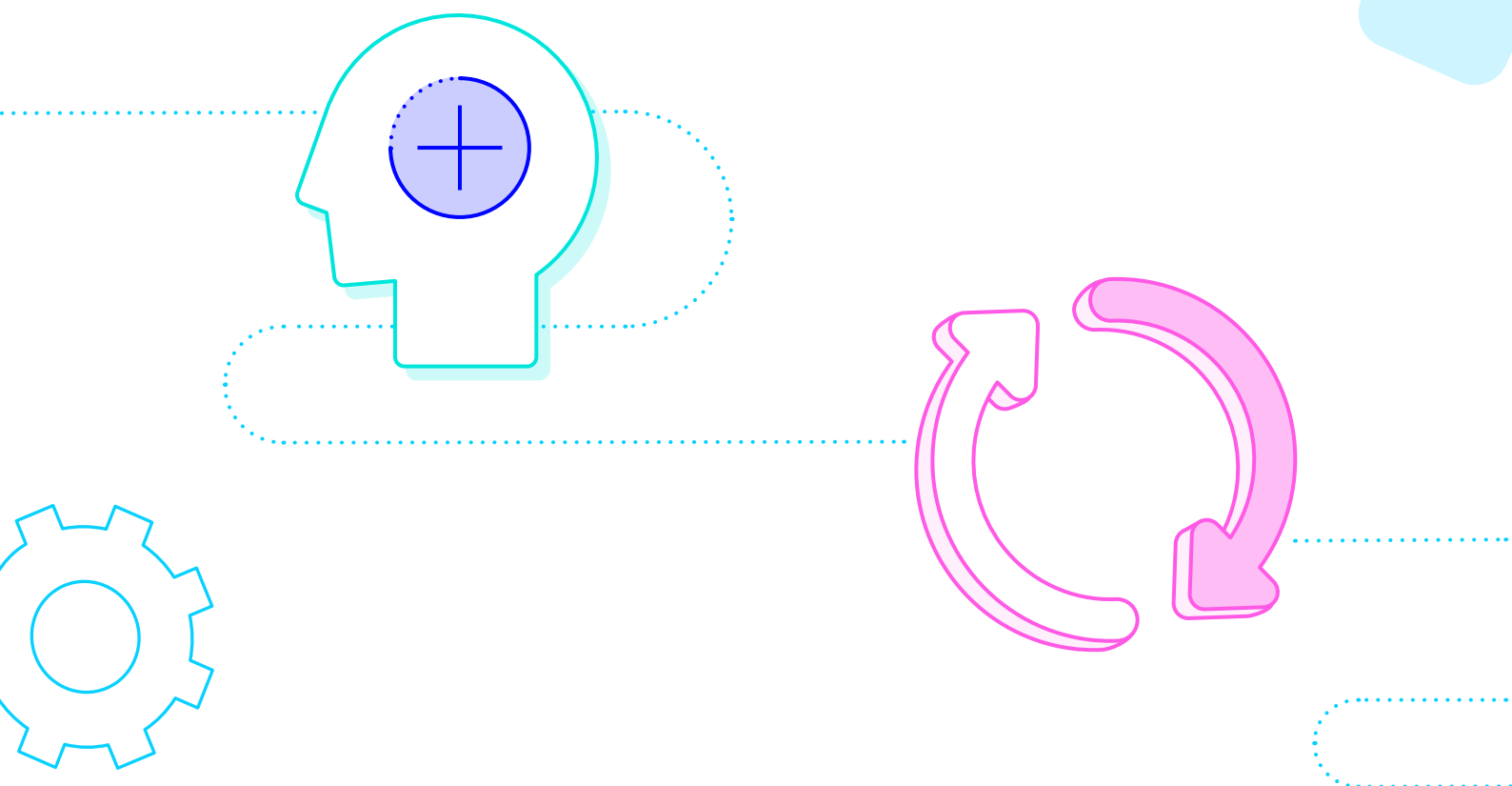
Retention rates e-commerce H1 – 2020 vs. 2021



Conclusion

With mobile e-commerce growth projected to steadily continue, advertisers and marketers should look for opportunities to acquire new users and provide experiences and journeys that result in user loyalty. Diversifying the number of networks an app works with is one key example of how to potentially find a new swath of users, but the user experience can also be adapted and enhanced to push for engagement, participation, and conversions. By developing strategies including gamification and conversational AI, users will be more enticed to open an app, and their overall experience will be more seamless and rewarding.

Branching out to new channels and platforms to find and engage with users is also essential for sustained growth. From social commerce, where potential customers can reach your app or products via social media app integrations or direct-to-purchase links, to new advertising opportunities on CTV, continuing to adapt, measure, and analyze is crucial. It's the marketers, developers, and advertisers who continue to make smart, data-driven and UX-focused decisions that will gain the edge in this increasingly competitive and multi-dimensional space.





ABOUT ADJUST

Adjust is the mobile marketing analytics platform trusted by growth-driven marketers around the world, with solutions for measuring and optimizing campaigns and protecting user data. Adjust powers thousands of apps with built-in intelligence and automation, backed by responsive global customer support.

In 2021, Adjust was acquired by AppLovin, a leading marketing software company providing developers with a powerful, integrated set of solutions to grow their mobile apps.

Learn more about Adjust at:

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 [adjust.com](https://www.adjust.com)

 [@adjustcom](https://twitter.com/adjustcom)



ABOUT SENSOR TOWER, INC.

Sensor Tower is the leading provider of market intelligence and insights for the global app economy. Founded in 2013 and based in San Francisco, CA, Sensor Tower provides enterprise-level data on mobile apps and publishers through our Store Intelligence, Ad Intelligence, Usage Intelligence, Consumer Intelligence, and App Intelligence platforms, which offer download, revenue, share of voice, and engagement metrics at unparalleled accuracy for the world's most important markets.

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