

RETAIL APP RESEARCH

HOW THE PANDEMIC IS DRIVING MORE SHOPPERS TO MOBILE APPS

Global research shows retail apps are growing in popularity, with the pandemic pushing more and more consumers towards mobile shopping.

jmango
360



Key Findings

The ongoing COVID-19 pandemic is driving more smartphone users to shop with mobile apps. With dramatic growth in in-app sales year-on-year, retail apps have become a must-have for retailers who want to protect growth and stop losing customers to competitors.



The usage of retail apps is growing year-on-year.

In-app orders grew by 58% from September 2019 to September 2020.



Pandemic is pushing shoppers towards retail apps.

The biggest increase was seen during the first lockdown period in Q2 2020. Retail apps were downloaded and used intensively, with a +109% increase in downloads seen in April 2020.



Some product categories are benefiting more than others.

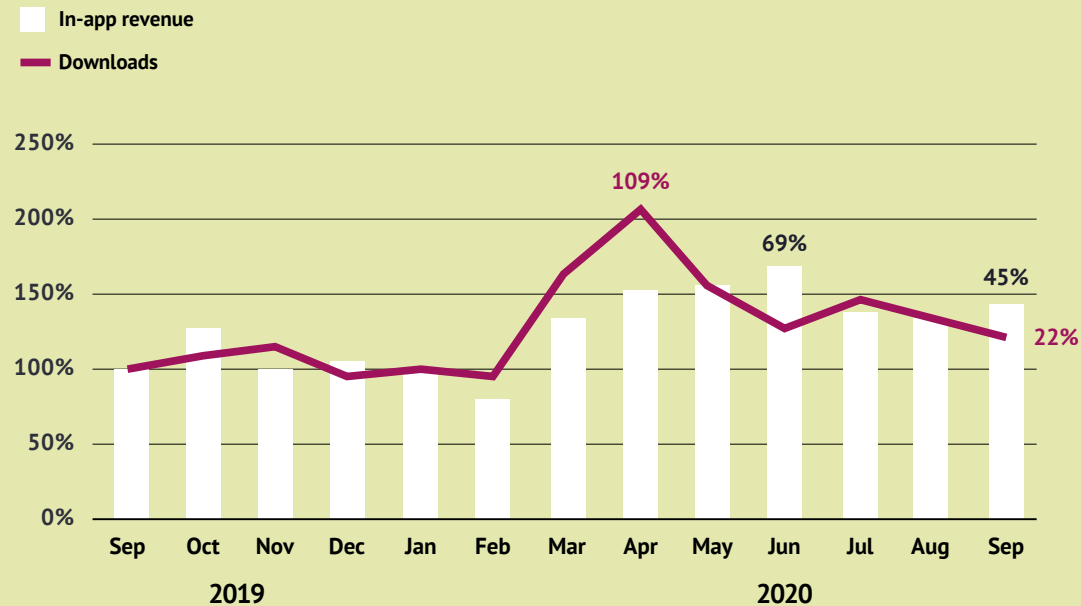
FMCG, Wine & Spirits and fashion are the biggest winners, posting the highest YoY growth rate, which was consistent during the first lockdown.



Downloads & Revenue Growth

Shoppers are avoiding bricks & mortar stores, resulting in big spikes in Q2 and Q3 mobile app downloads and revenue.

In-app revenue & downloads (index)



Retail App Downloads

- Monthly downloads of retail apps grew 22% year-on-year from September 2019 to September 2020.
- Shoppers downloaded apps heavily in Q2 during lockdown in the EU. Compared to Q1 2020 the number of app downloads jumped by 36%.
- The biggest surge in downloads was seen during April 2020, with an increase of +109%.

Retail App Revenue

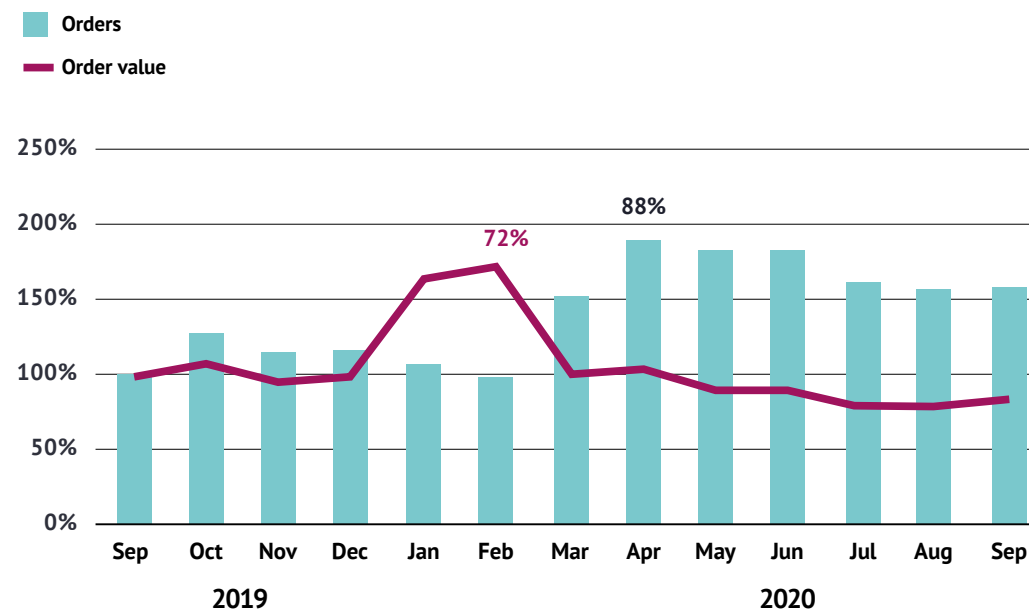
- Retailers saw in-app revenue increase by 45% YoY from September '19 to September '20.
- Monthly revenue increases were greatest during the heavy lockdown period in Q2. Compared to Q1 2020 when in-app revenue grew by 44%.
- June 2020 had the biggest growth, with a 69% rise in monthly revenue

“Retailers with a shopping app saw a 45% increase of in-app revenue year-on-year ”

In-app transactions and AOV Growth

The number of orders happening in-app grew by 58% between September 2019 and September 2020. Average order value (AOV) grew during the holiday season and Q1, but decreased during the first months of outbreak.

Orders & Order value (index)



In-app Transactions

- Monthly in-app orders grew 58% year-on-year from September 2019 to September 2020.
- The number of monthly in-app orders increased most sharply in Q2 under EU lockdown, an increase of 54% over Q1.
- The biggest increase was seen in April 2020, with +88% growth in monthly in-app orders.

Average order Value (AOV)

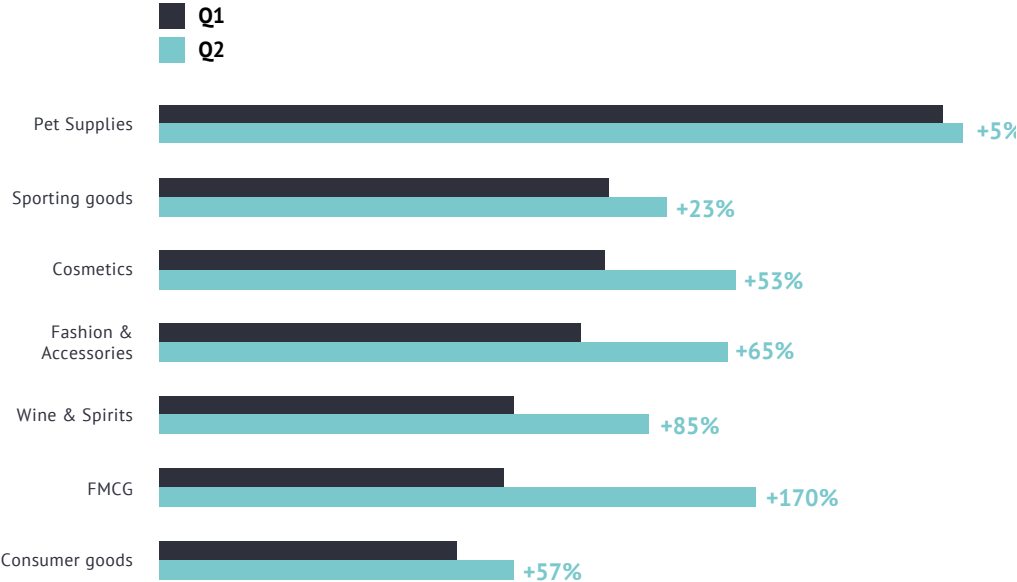
- The first quarter of 2020 showed the highest average order value (AOV) with 47% increase versus Q4 2019, with the biggest growth in Feb (+72%).
- During the first outbreak, average order value decreased in Q2 by -36% compared to Q1 2020.
- The average order value in Q1 2020 was 211 euros and dropped to 135 during the lockdown in Q2 2020.

Revenue Growth per Category

Growth per category

FMCG is the biggest category winner in business-to-consumer, with a 170% increase in in-app revenue in Q2 2020 versus Q1 2020. Followed by Wine & Spirits (85%) and Fashion & Accessories (+65%).

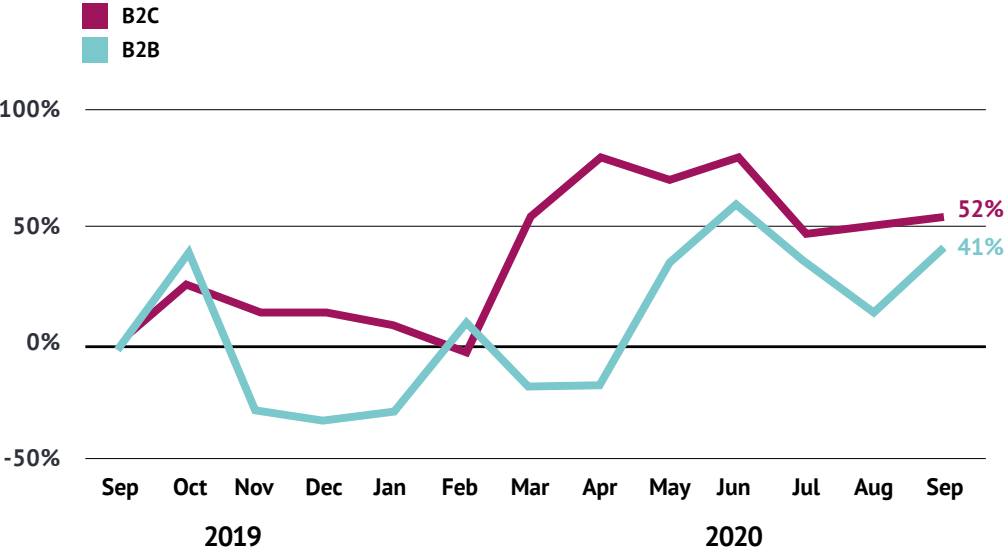
B2C Industries before and during Corona



Growth B2C and B2B

It's not just consumers that are using apps more regularly. In-app revenue for B2B also increased by 41% year-on-year, while B2C saw a 52% increase YoY.

B2C vs. B2B in-app revenue growth (index)



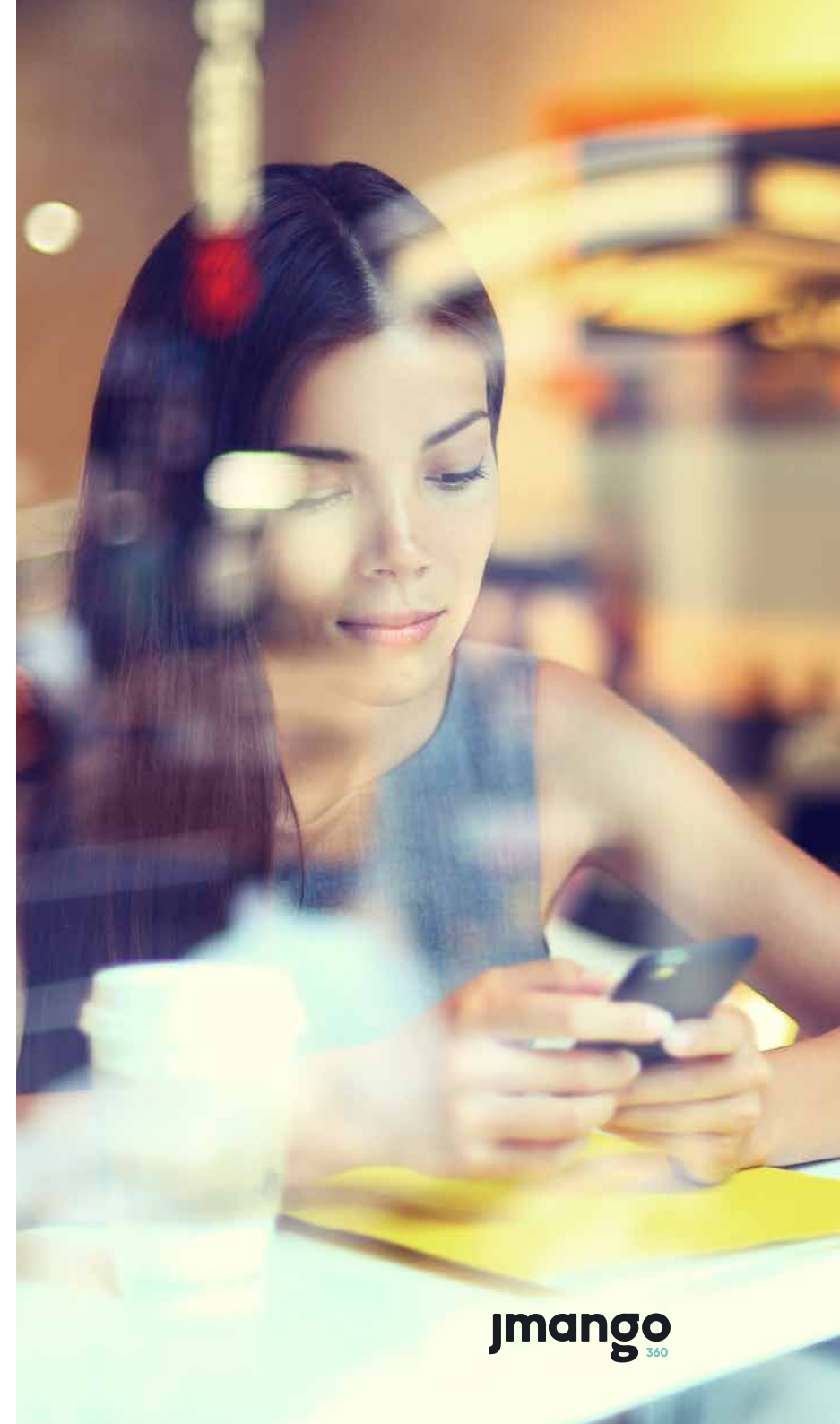
Conclusion

As customers do more and more of their shopping online, retailers are seeing huge increases in the number of customers downloading and using their apps. Shoppers are embracing apps and retailers are reaping the benefits.

With consumers avoiding brick & mortar stores due to the coronavirus, apps can fill in the gap with extra services like curbside pickup. 'Even before the pandemic the majority of traffic to web retailers was coming from smartphones,' said Berry de Kort, CEO, JMango360. 'We've been seeing steady increases in app usage over the year, but the year-on-year figures prove it's more than a short-term blip.'

The end of the pandemic is still nowhere in sight, thus this this research shows mobile apps are a great way to protect revenues and maintain future growth. 'The pandemic will drive an even bigger gap in revenue between retailers that have good mobile (app) experiences, and retailers that don't,' de Kort adds.

The slight decrease in average order value is caused by retailers giving out huge discounts during the first months of the pandemic. 'Retailers now need to start looking beyond discounts to keep users interested. Getting the app installed and being on their lockscreen is a huge win. Now it's the challenge to keep them engaged. That's how you turn seconds of engagement into minutes, minutes into transactions, and transactions into lasting relationships.'





Methodology

JMango360 analyzed download and purchasing data from over 300 independent retailers worldwide, between September 2019 and September 2020.

More information

For the latest on how shoppers are using retail apps around the globe contact Mark Wolf (press@jmango360.com).

About JMango360

JMango360 enables retailers and agencies worldwide to build premium e-commerce and retail apps. Simple, fast and for affordable monthly plans thanks to our SaaS app platform. Check out our [Mobile Retail App Solutions](#) or [Reseller Program](#).

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