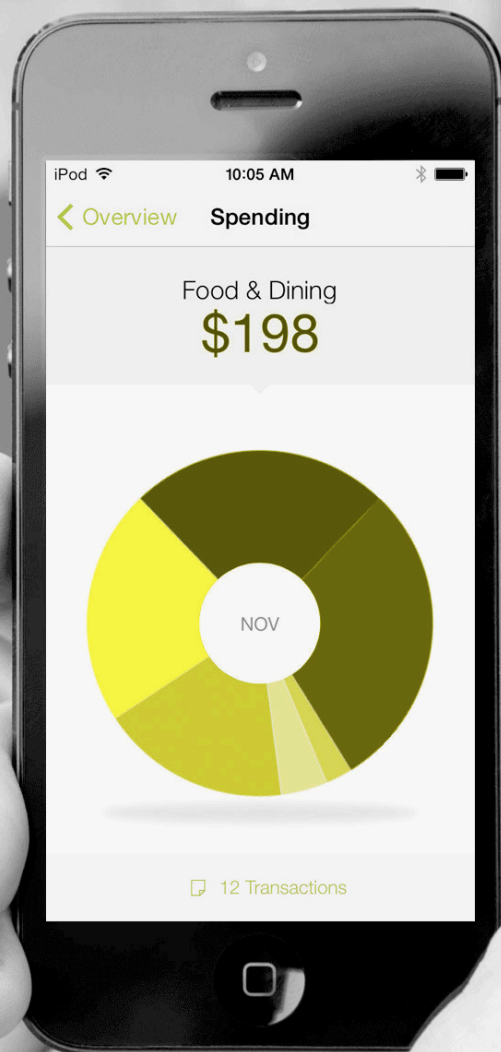




# MOBILE FINANCE



User Acquisition Trends and Benchmarks 2016



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## User Acquisition Trends and Benchmarks 2016

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# Introduction

The mobile finance industry makes it easy for consumers to keep tabs on their money, no matter where they are. With apps for banking, investing, credit score monitoring, managing expenses, identity protection, and more, it's easy to see why consumers are going mobile to manage their financial life. In recent years, finance apps have grown so popular that they are the most used non-gaming apps in the market, [as users open them 30% more frequently](#) than other app types.

Finance apps offer a wide variety of services, and the number of ways they monetize are just as varied. Some apps offer one-time purchases, others are subscription-based, and some finance apps connect directly to a bank account to debit or withdraw funds.

To better understand what drives finance app performance, we examined a large set of app install campaign data comprised of 4.6 billion ad impressions, 1.9 million app installs, more than 365,000 post-install events, and \$7.3 million in total ad spend. The report documents the average costs and conversion rates for finance app installs, registrations, and further downstream events including in-app purchases and subscriptions. We also explore differences between gender, operating systems, and the effect of seasonality.

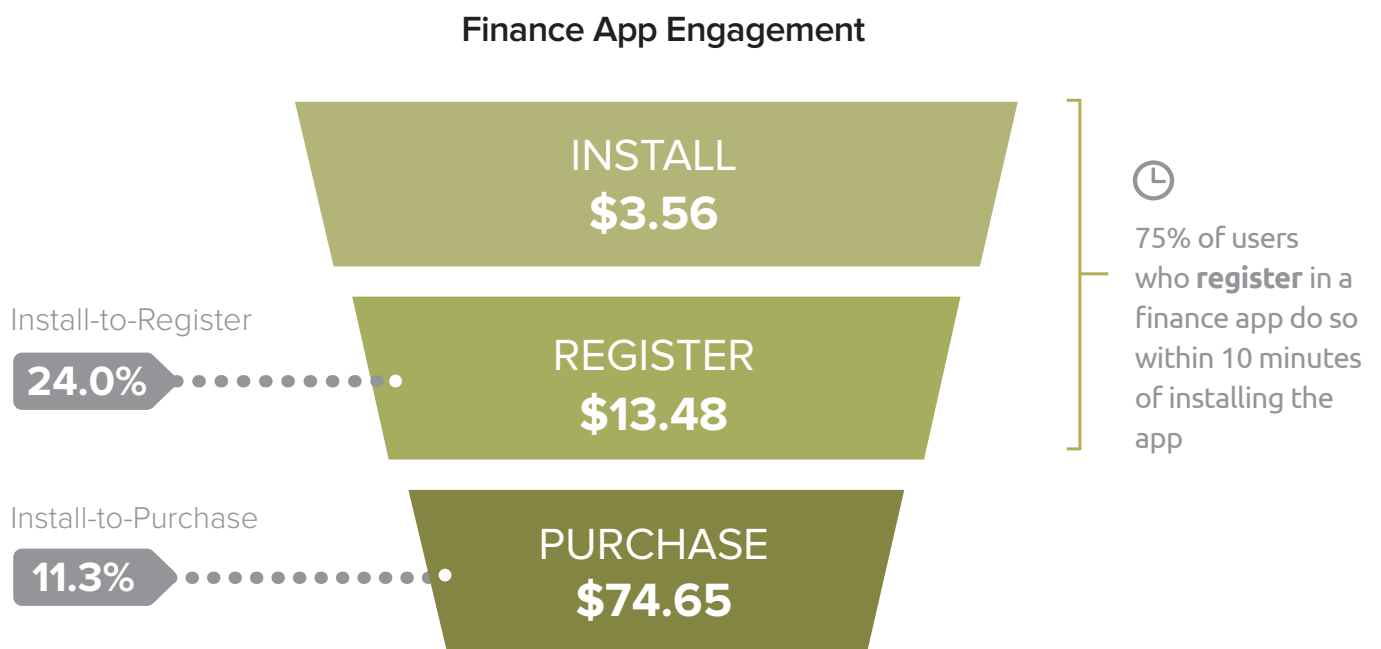
## About This Report

The Mobile Finance Apps Report benchmarks the costs and conversion rates associated with acquiring new users of finance apps from non-incentivized app install campaigns who engage in a post-install event for the first time. The events measured include installs, registrations, subscriptions and purchase events from June 2015 to February 2016. For the purpose of this report, purchases, subscriptions, and bank account connections are all considered purchase events.

# Finance App Costs and Conversion Rates

Finance app engagement is high throughout the funnel. User registration rates are strong at 24%, and 13.7% of new users complete a purchase event. The cost to generate a first purchase in a finance app is low compared to other apps, suggesting that when people download a finance app, they do so with a high intent to engage and transact.

Finance app users are also quick to engage with their new apps. 75% of people who create an account a finance app do so within 10 minutes of installing the app, and 90% will register within 6 ½ hours of installing the app.

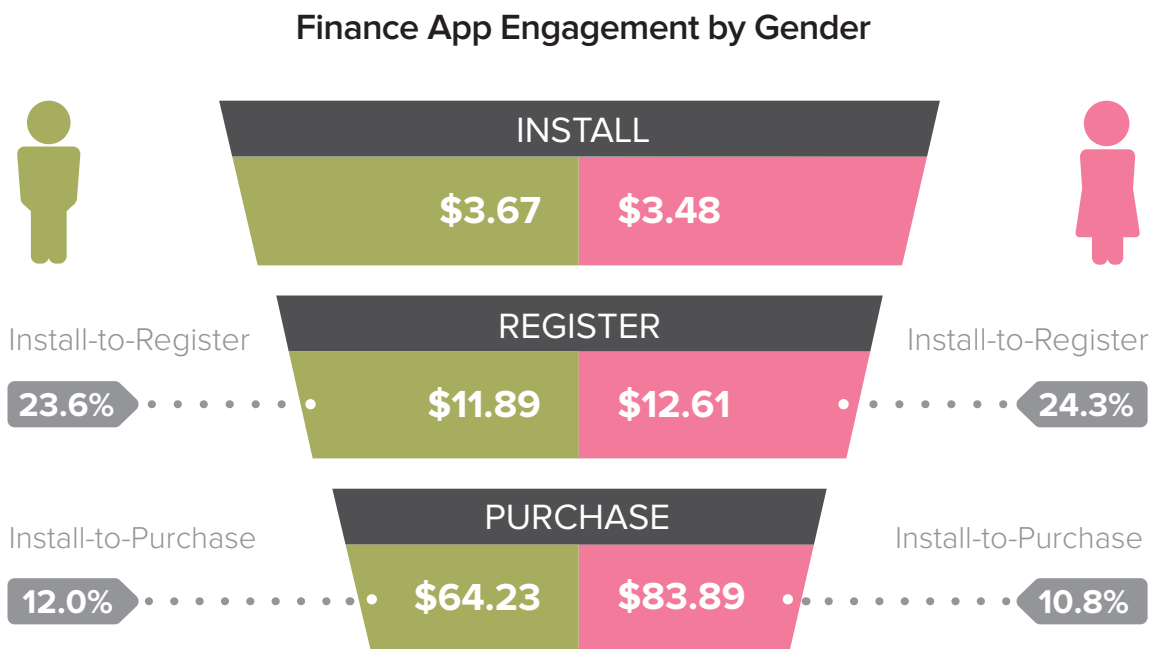


As with most app categories, gender, operating system, and seasonality all play an important role in performance.

# Finance App Engagement by Gender

The cost to acquire an install from paid media is similar amongst men and women, averaging \$3.56 an install. But when looking at events further down the funnel, men are less expensive to acquire than women. The average cost to acquire a male purchaser was \$64.23, 23.4% less than a female purchaser. As for registrations, marketers spent 5.7% less to acquire men.

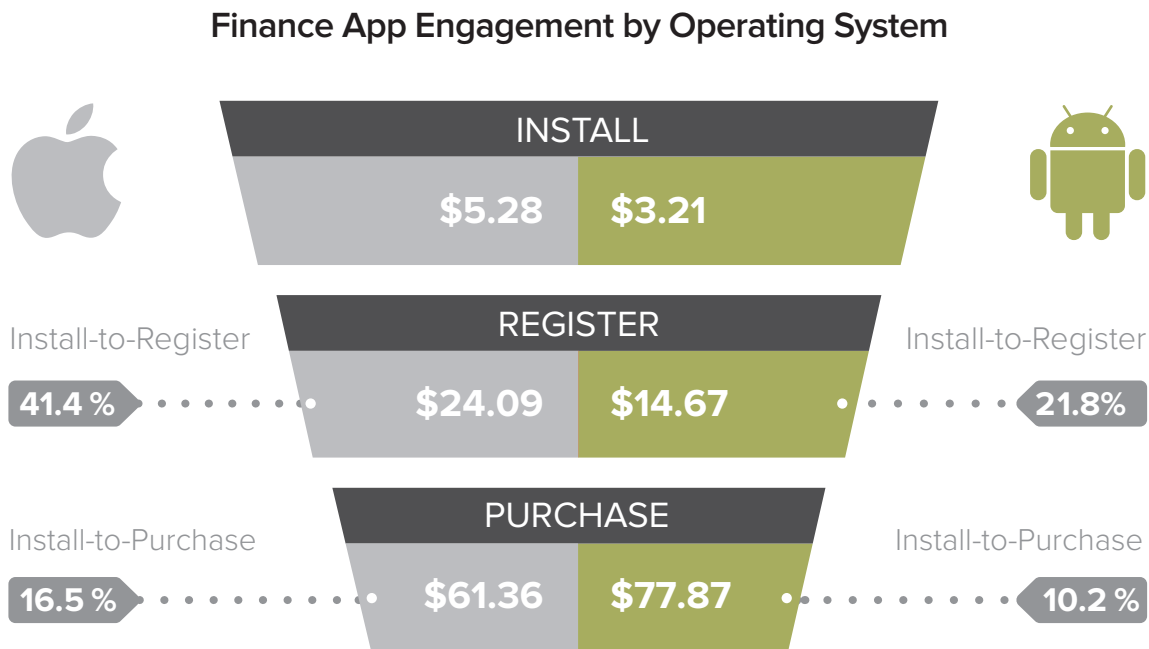
Men also made a purchase in a finance app 11.1% more than women, as 12% of all men who installed went on to complete a purchase. Women did demonstrate a slightly greater willingness to register in finance apps, however. 24.3% of female users who installed a finance completed a registration event, compared to 23.6% of men.



# Finance App Engagement by Operating System

Mobile operating systems also have a meaningful impact on user acquisition costs and conversion rates associated with finance apps. While it is less expensive to acquire installs and registrations on Android, iOS proves to be more cost effective in acquiring users who engage in revenue producing events, at 21.2% less than Android.

iOS users also demonstrate a greater willingness to engage in finance apps. iOS Install-to-registration rates were 89.9% higher than Android, while install-to-purchase rates were 61.8% higher on iOS devices.





## Monthly Trends

### *The Impact of Seasonality on Finance Apps*

Seasonality plays an important role in when and how people use finance apps. When it gets closer to tax season in the US, smartphone users become more engaged, installing and registering at a higher rate than other times of the year. During the time period analyzed, installs and registrations were highest from December through February, while the majority of subscriptions and purchases occurred in the summer and fall months.

From July through November, advertisers enjoyed increased purchase rates and decreased user acquisition costs. The summer months are typically associated with spending on frivolous purchases like vacations, but the data shows that consumers also invest in their financial well-being during that time.

Starting in December, acquisition costs increased significantly, while user purchase activity began to decrease. Though people may think more about their financial health at the turn of a new year, it doesn't mean they become more willing to pay for financial services.

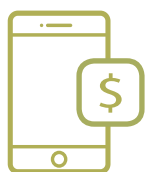
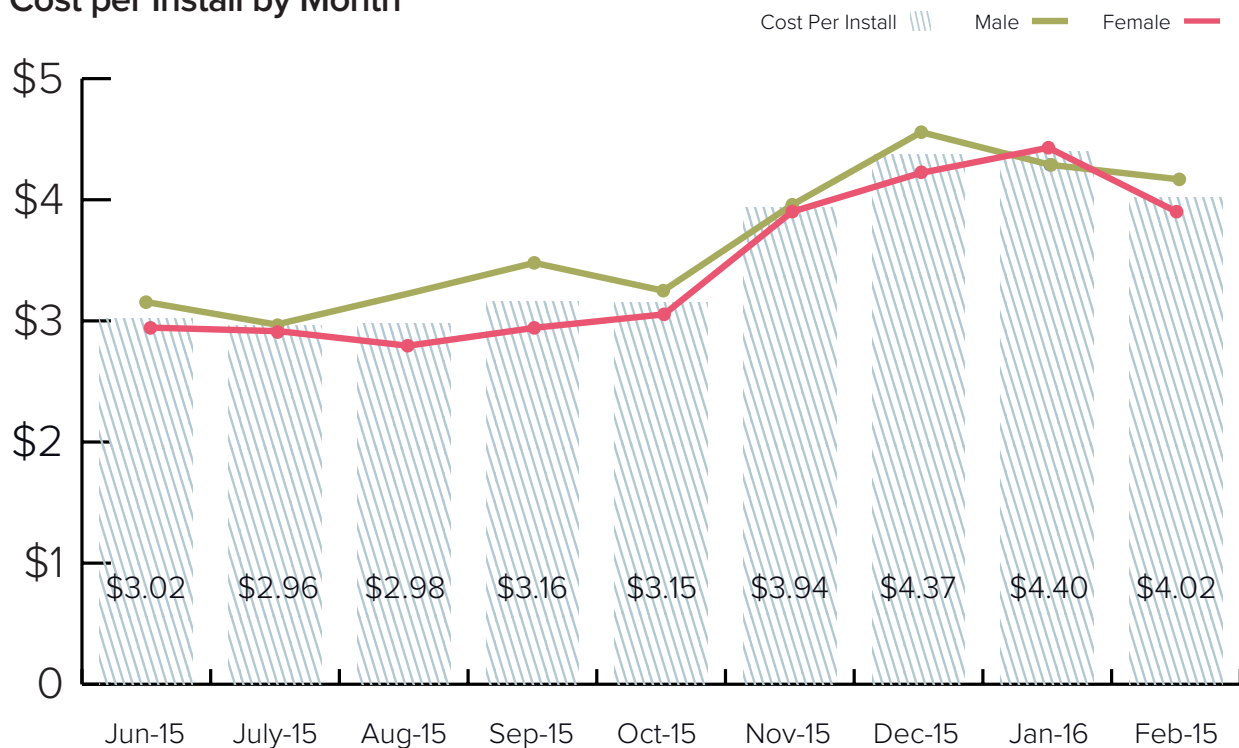
# Monthly Trends

## Cost per Install by Month

The cost per install for finance apps remained fairly consistent from June through October, but became more expensive as the holiday season neared and advertising rates increased.

While costs increase during the winter, advertisers who are willing to spend can still drive a large number of installs. In fact, during the nine-month period we analyzed, 25.7% of all app installs occurred in the month of January alone.

Cost per Install by Month



During the nine-month period analyzed, 25.7% of all finance app installs occurred in January.

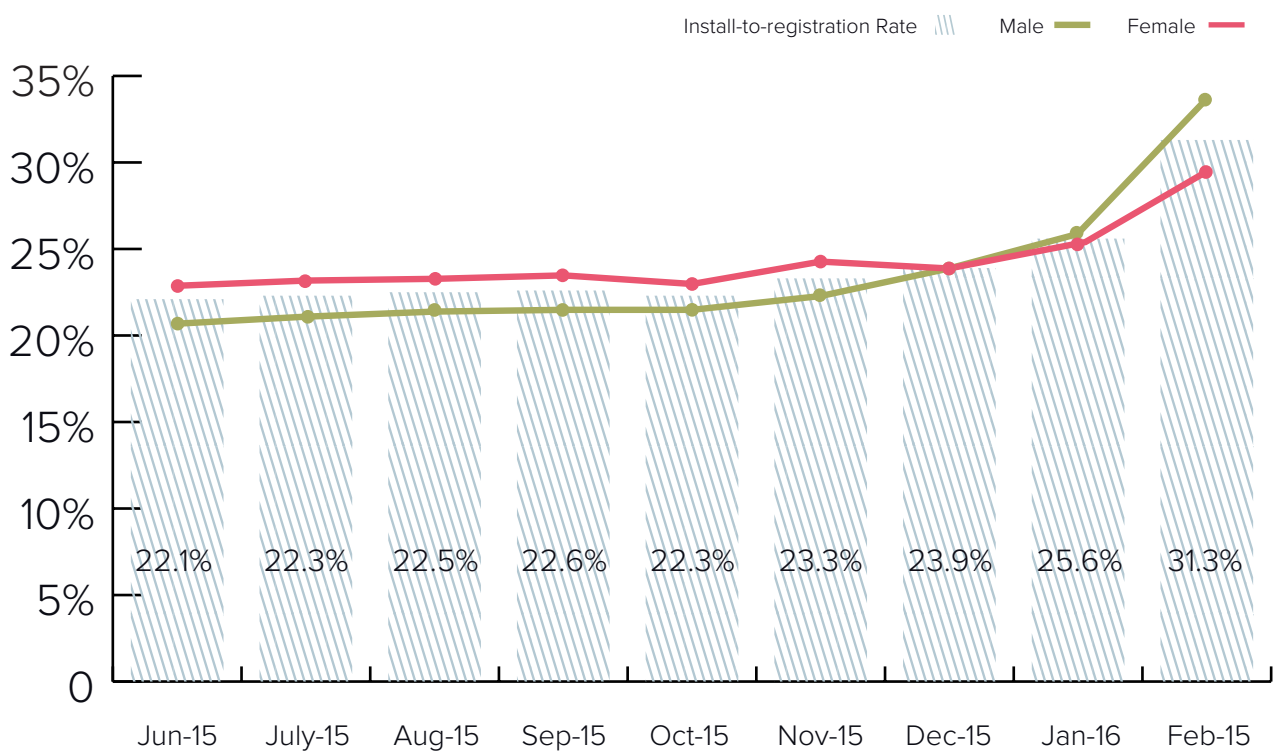


# Monthly Trends

## Registrations

Similar to installs, seasonality played an important role in user registration activity. From August through February, the install-to-registration rate increases steadily. By February, registration rates climbed to 31.3%, likely due to the fact that many workers begin receiving tax documents and start thinking more seriously about their finances.

### Install-to-Registration Rate by Month



*During the nine month period analyzed, both male and female users were most likely to register for a finance app in February.*

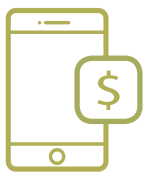
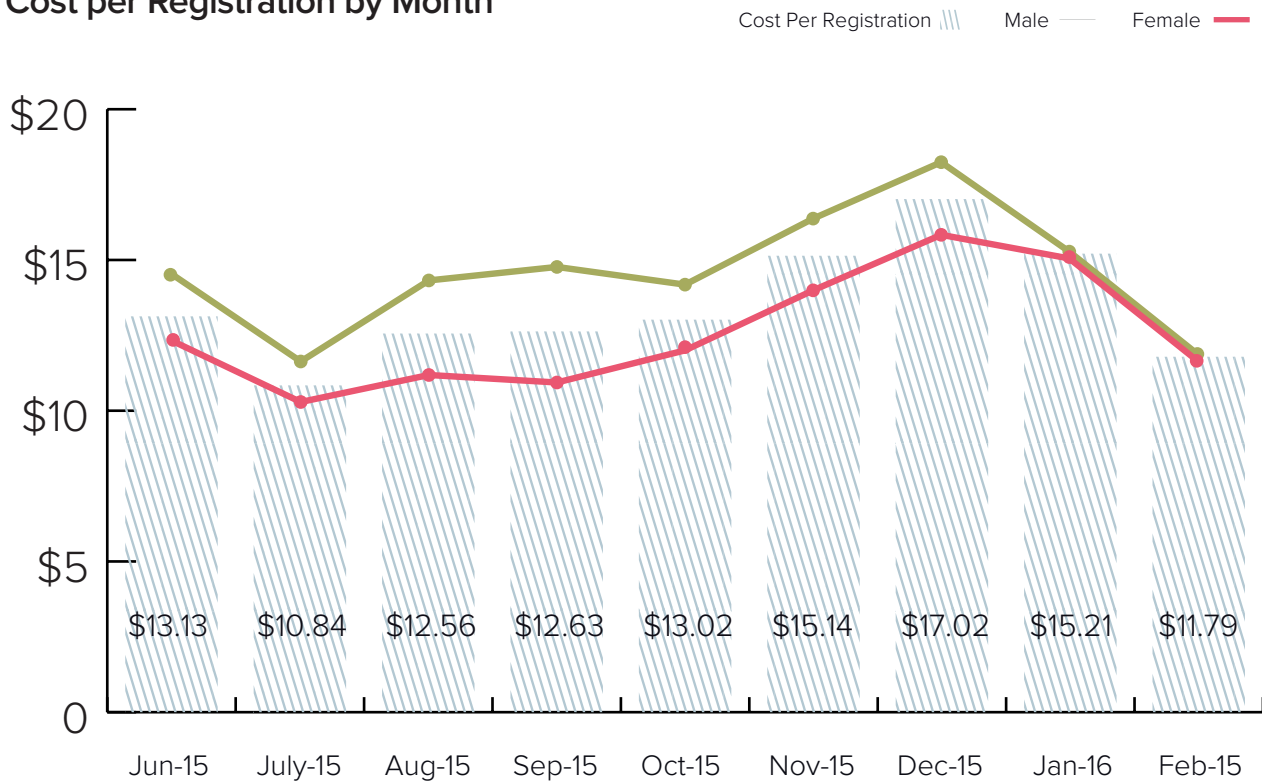
# Monthly Trends

## Registration

Acquiring a registered user cost an average of \$13.48, with a low of \$10.84 in July and a high of \$17.02 in December. Registration costs steadily increased starting in the summer months into winter, when advertiser activity is at its highest.

Following the new year, registration costs decreased as tax season drew near. By February, the average cost per registration decreased to \$11.79, making it the second least expensive month analyzed.

### Cost per Registration by Month



*In July, the cost of generating a registration was \$10.84, 19.6% less expensive than the nine month average of \$13.84.*

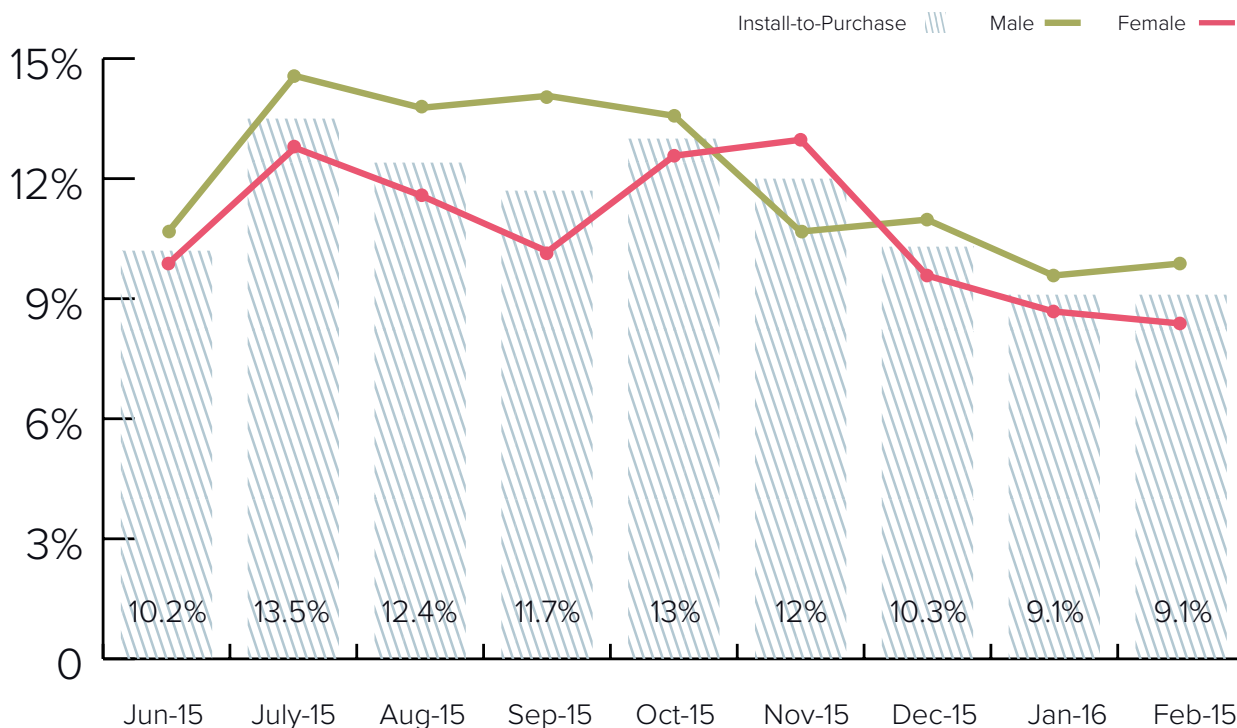
# Monthly Trends

## Purchase Events

Purchase activity in finance apps peaked in the summer months. Of all purchase events generated during the analyzed period, 56.5% took place from during the months of July, August, and September.

The average purchase rate was 11.3%, with a high of 13.5% in July and a low of 9.1% in both January and February. This tells us that although the increased installs and registrations prove that financial health is on the minds of smartphone users at the beginning of the year, fewer users are ready to spend money on financial services.

### Install-to-Purchase Rate by Month



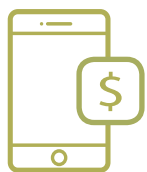
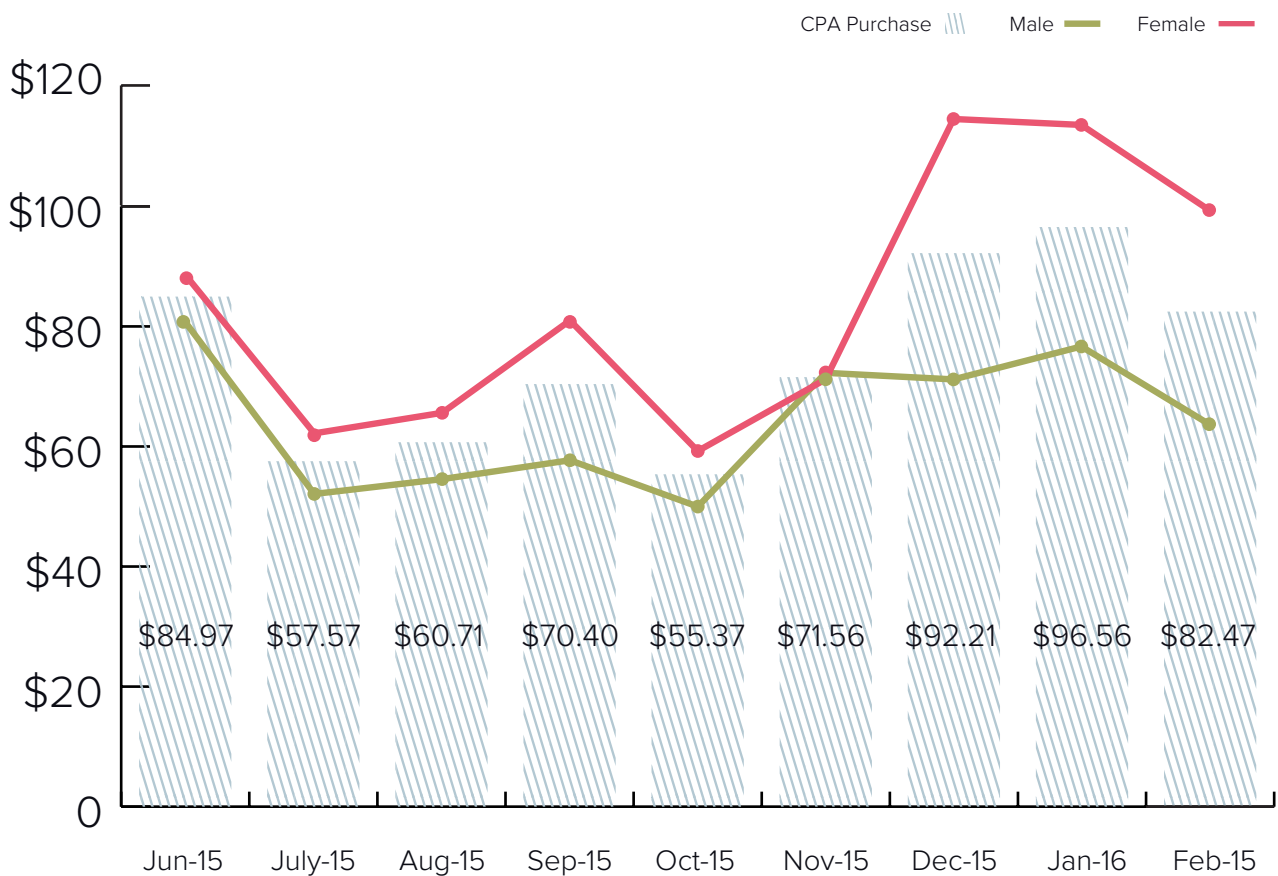
# Monthly Trends

## Purchase Events

The summer and fall months were the least expensive time to spend on user acquisition, as marketers paid as little as \$55.37 for a first-time purchaser in October, compared to a high of \$96.56 in January.

Given that install-to-purchase rates were at their highest and costs were at their lowest from July through October, it was the best time of year for marketers to spend on user acquisition.

### Cost per Purchase by Month



*The average cost per purchase in January was \$96.56, 29.4% more expensive than the period average of \$74.65*

# Conclusion

In the months leading up to Tax Day in the United States, smartphone users may be looking for ways to improve their financial wellness, but they are less willing to pay for mobile financial services. User install and registration activity peaked from December through February, but purchase activity was at its lowest.

It was actually during the summer and fall months, when consumers are typically spending money on vacations, that finance app purchase event engagement was at its highest, peaking in July.

Gender and operating system both have an impact on finance app user acquisition costs and conversion rates, with men being more likely to engage in transactional events than women. iOS users had much higher registration and purchase rates than their Android counterparts, as iOS users continue to demonstrate a greater willingness to pay for mobile services.

Most notably, seasonality plays an important role in engagement with finance apps. Consumers are most likely to install finance apps and register for financial services during the winter, but purchase rates are at their lowest. With that in mind, marketers may consider adding re-engagement to their user acquisition efforts to turn more of their winter installs into valuable customers.



Liftoff is a full-service mobile app marketing and retargeting platform which uses post-install data to run true CPA-optimized mobile user acquisition and retention campaigns. With Liftoff, campaigns are optimized to drive specific actions beyond the install, to acquire users who engage in more profitable post-install events like booking a hotel, subscribing to a service or making a purchase.