# State of Subscription Apps

RevenueCat's annual overview of in-app subscription performance benchmarks, based on the world's largest subscription app data set.

2024

# 1.7%

1.7% of downloads turned into paying subscribers in their first 30 days, which is slightly up from last report. The difference between lower quartile (.6%) and upper quartile (4.2%) remains striking.

# 200x

Filtered to just the apps that generate *any* revenue, the top 5% of newly launched apps generate over 200x more monthly revenue than the bottom quartile does, one year after launch.

# $0.35

The average Realized LTV per download in North America, 14 days in, is 4x the global average at $0.35 compared to $0.08. A multiple that exists both on the App Store, as well as on Google Play.

# -14%

Share of monthly subscribers retained after 12 months dropped by 14% last year, across categories and impacting both the best and worst performers alike.

# 12%

Over 10% of churned monthly subscribers re-subscribe within 12 months, with categories like Media & Entertainment seeing even higher reactivation rates.
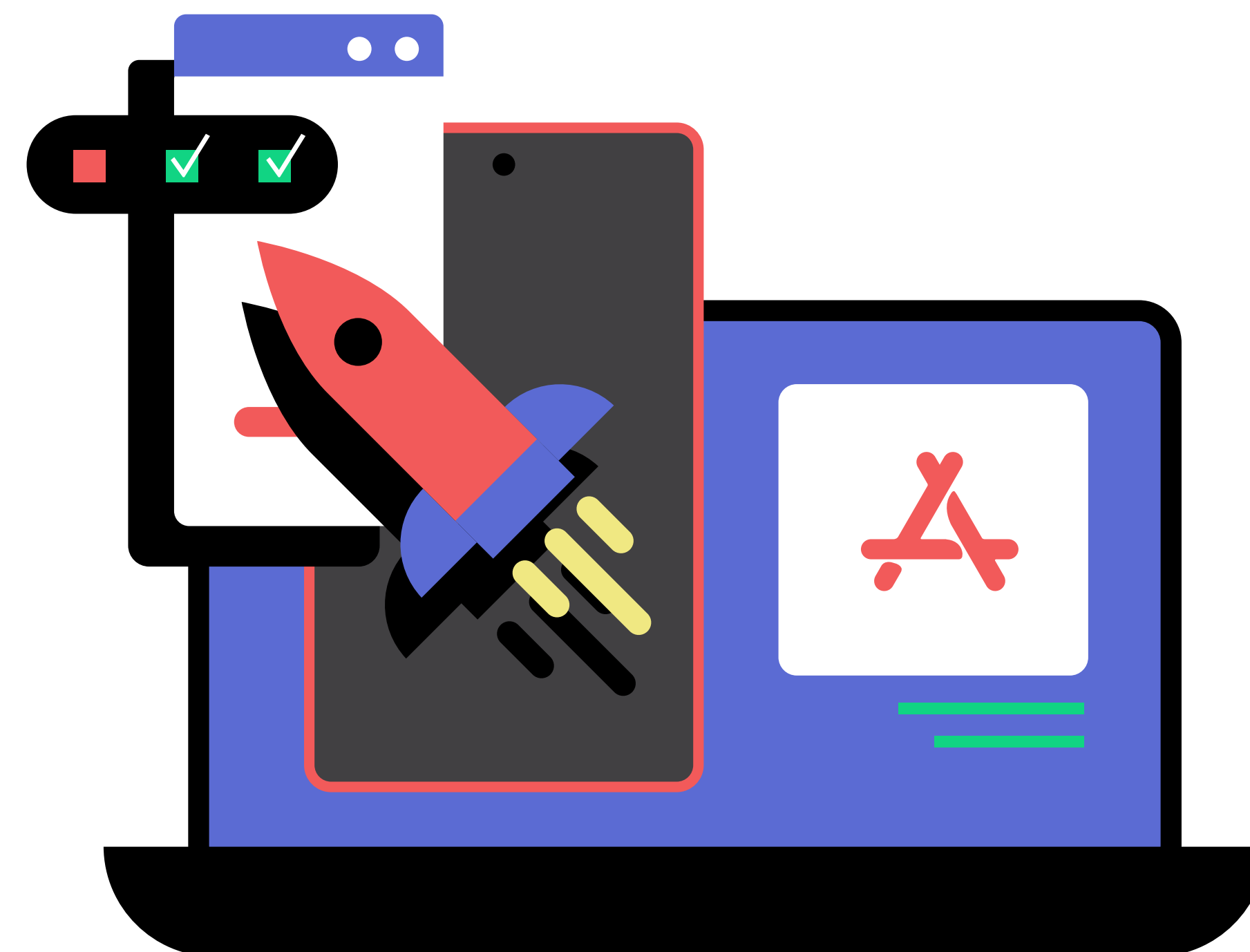
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# RevenueCat

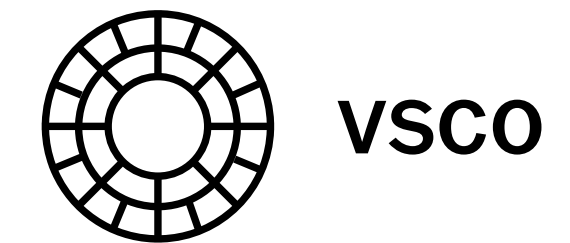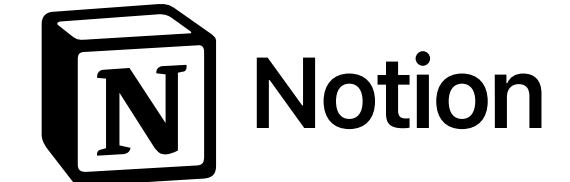## Experience why 30,000 apps trust us with billions in subscription revenue

**BOOK A DEMO**   OR START FOR FREE TODAY

# You'll be in great company

9 out of 10 apps using an in-app subscription platform are built on RevenueCat

**LEARN WHY**

In the last 5 years **we've seen dramatic changes to our industry**: pandemics, the 2021 bubble, privacy changes, antitrust cases. Shifts that have completely remade how we do business on the app stores, and yet, these businesses continue to grow. 2023 was a year of renormalization and reacceleration where the businesses who survived the post-covid era really begin to thrive. I'm more excited than ever for the future of consumer centered subscription software.

Alongside this renormalization, we've seen the emergence of LLMs and generative AI as a mass consumer technology. We're seeing almost every category of consumer app affected or, in some cases, disrupted by AI.

While some are calling the era of mobile "over", I contend that **AI will be the second act of the mobile era**. Mobile is, and will be, the primary platform for daily use of new and transformative AI technologies.

I'm very excited to share our **2024 State of Subscription Apps report**. We went deeper and further than ever before, breaking down more numbers across more categories to produce a report so dense only a management consultant could love it.

It's two times longer than 2023's report, with the goal of **answering any possible curiosity** you might have on what works and doesn't work when building subscription apps. We've broken down, in excruciating detail, pricing, packaging, localization, conversion, retention and more. If you can ask it, it's probably in this report.

It's my hope that these insights help you **stop guessing**, and let you **start acting**.

**Jacob Eiting**
CEO &Co-Founder

**RevenueCat**

# Methodology

# Methodology & Data

· Since RevenueCat was founded in 2017, we've tracked over $6 billion in subscription app revenue across the Apple App Store and Google Play Store.

· The 30,000 apps with RevenueCat's in-app subscription SDKs and integrations span everything from niche indie apps to several of the top 100 subscription apps.

· The benchmark data in this report is from all of those apps, with steps taken to ensure anonymity.

· New in this years edition are multiple breakdowns, including by category, platform, and territory. We trust these breakdowns will help you compare your performance "apples to apples".

## 30k+
**Subscription Apps**

## 18K+
**Developers**

## $6.7B+
**Tracked Revenue**

## 290M+
**Subscribers**

How do apps structure their prices, plans, trials, and offers?

What we'll be benchmarking:

- **Price points**
- **Plan durations**
- **Trial strategy and lengths**
- **Offer usage**

# Pricing & packaging

# Price points year-on-year remain mostly stable

· Most common price points for subscription plans have remained unchanged from the previous year, with 1-week at $4.99, 1-month at $9.99, and 3-month and 1-year at $29.99.

· Identical pricing for 3-month and 1-year plans at $29.99 suggests a strategic push towards longer-term commitments, offering substantial value for annual subscriptions at a price point competitive with shorter-term plans.

· While the most common price for a monthly subscription remained the same at $10, **the average price for a monthly subscription has increased significantly with 14% from $7.05 to $8.01**, while weekly grew a little under 2% to $5.55, and yearly average actually decreased a little over 1% from $32.94 to $32.53.

**PRICE POINTS - PERIOD OVER PERIOD**
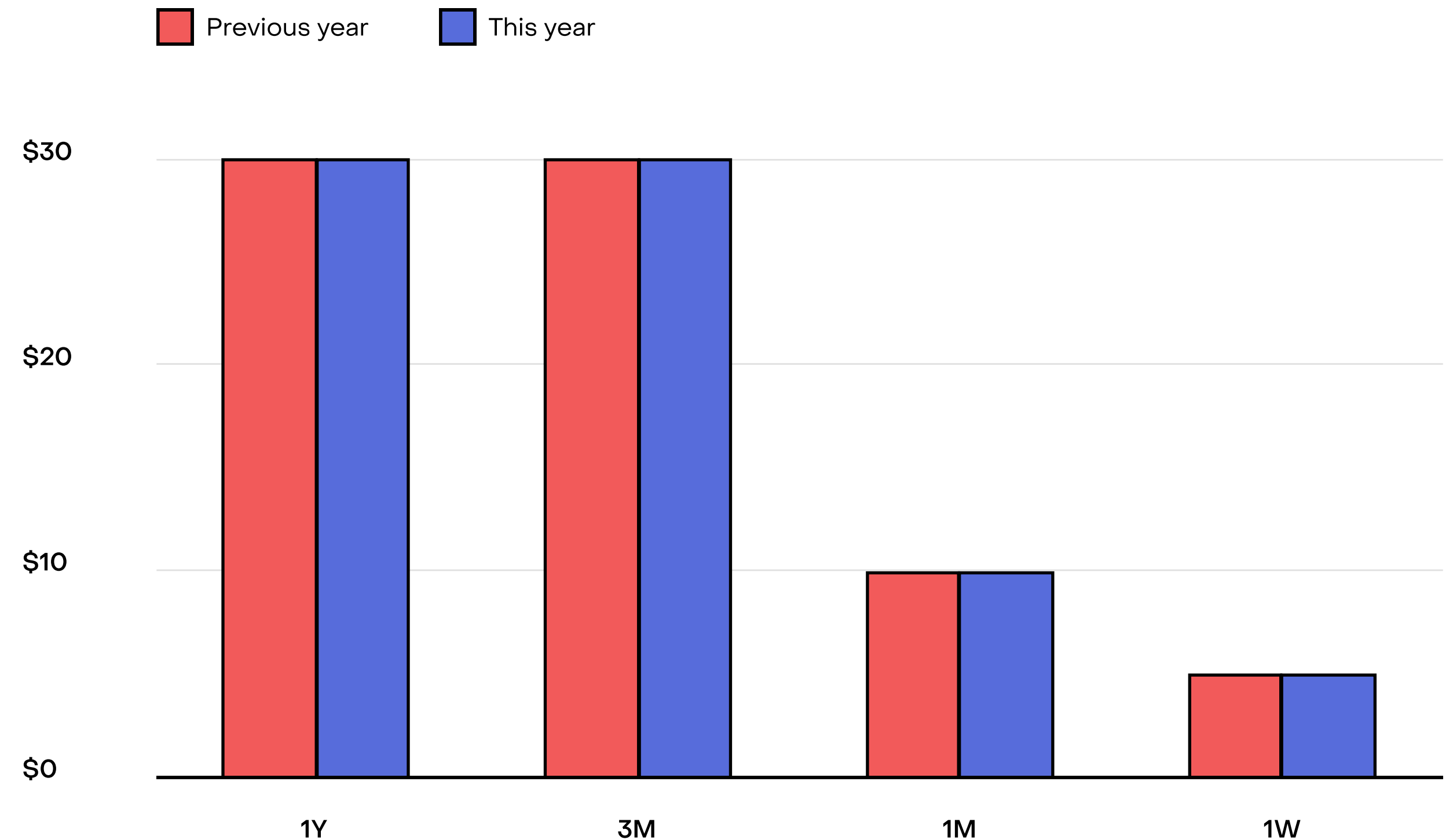


The most common subscription plan prices for 1-week, 1-month, 3-month, 6-month, and 1-year durations, year-over-year.

# There are clear pricing preferences per category emerging

· Many categories have standardized on **$4.99 per week, $9.99 per month, and $29.99 for an annual subscription**.

· Notable exceptions include education, where a preference for the $59.99 / yr price point has lead to a very high average price for yearly subscriptions.

· Business and Shopping, both of which also sport high annual subscription averages, do so by seeing several outliers with a very high annual price (the most common price points in both categories for annual is still $29.99).

**PRICE POINTS - BY CATEGORY**
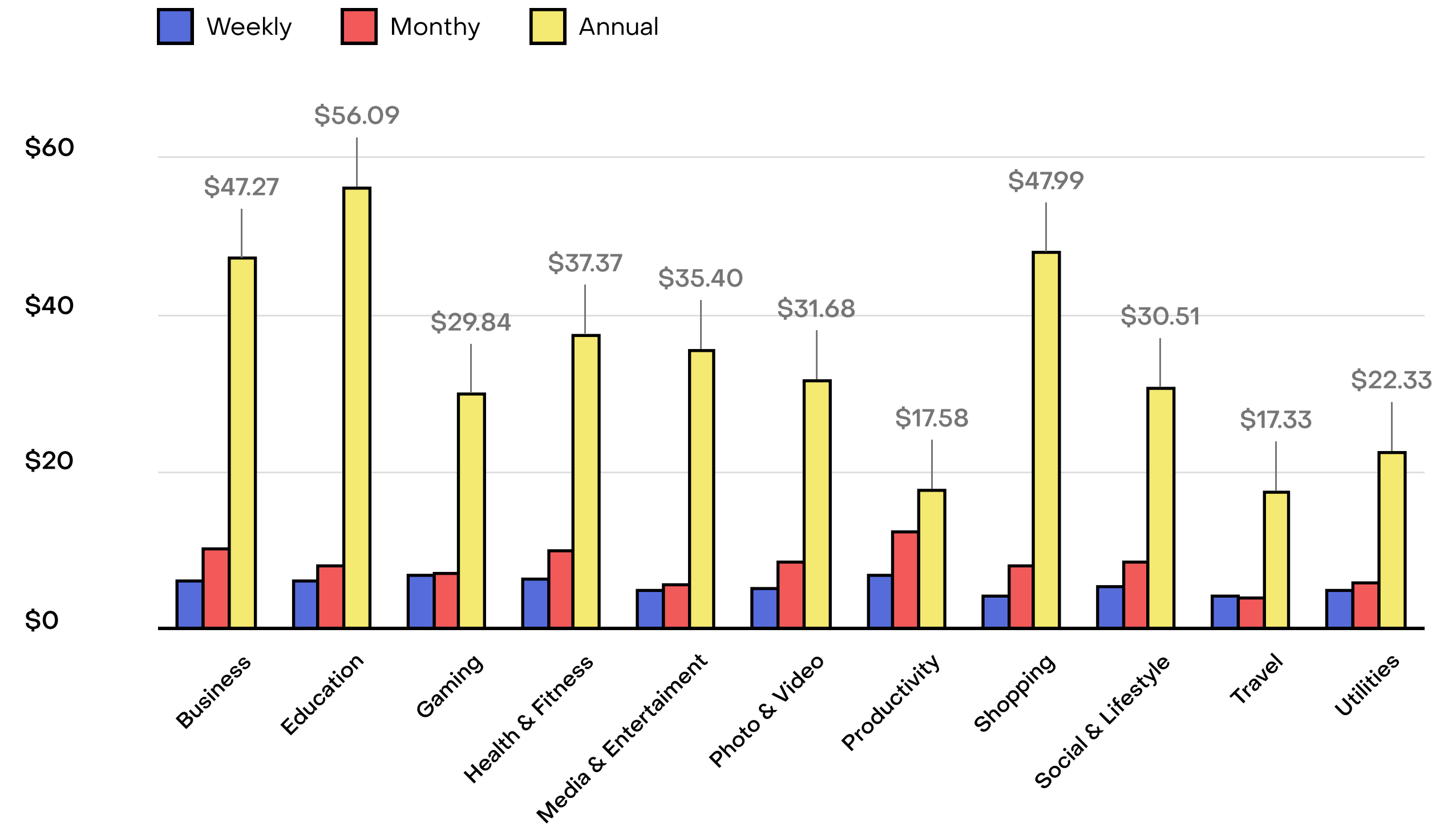


The average 1-week, 1-month, and 1-year subscription plan prices across various app categories.

# "How you price really matters"

Data from Appfigures Explorer shows 59K new apps and games that monetize with subscriptions were released in 2023. That's 43% higher than 2022!

To me that's a great sign. More apps adopting subscriptions means the market is more ready and consumers are more willing to subscribe.

With more apps turning to subscriptions, however, how you price yours really matters. Get it right and you'll maximize every other effort that's gone into your app – from features to ASO. Get it wrong and you'll diminish them all.

There's a tendency to price low when getting started and that's almost always a mistake.

You have to price your app for your audience. The best way to do that is to experiment, and a shortcut is to look at your competitors.

One of my early mistakes was to not experiment with pricing and going with my gut. I thought users would hate it but no one cared and most didn't even notice. Once the experiments started revenue grew and churn remained where it was.

Use your competitors' as a baseline and start experimenting. I like to look at revenue per download which masks some of the hidden costs (like paid ads), especially at scale. And remember, it's easier to drop your price if it's too high but harder to increase it.

**Ariel Michaeli**
CEO & Co-Founder,
Appfigures

appfigures

**Listen to Ariel on the Sub Club Podcast**

# Different categories adopt different subscription duration strategies

- Users showed a **strong preference for 1-year plans in Health & Fitness and Education apps**, indicating a trend towards long-term goals.

- Nearly 70% of Gaming subscriptions were for 1-week plans, highlighting short-term user engagement in this category.

- Media & Entertainment apps show a balanced distribution between 1-month and 1-year plans, indicating varied user preferences in this category.

- Other app categories — like Photo & Video, Productivity, and Social & Lifestyle — show diverse subscription patterns, with both monthly and annual plans being popular among users.

## PLAN DURATIONS - BY CATEGORY

| Most popular plan durations as % of subscriptions | One week | One month | Three months | Six months | One year |
|---|---|---|---|---|---|
| Business | 44.8% | 33.5% | 1.1% | 0.1% | 20.6% |
| Education | 4.7% | 33.4% | 1.7% | 2.5% | 57.6% |
| Gaming | 69.5% | 25.2% | 0.2% | 0% | 5.1% |
| Health & Fitness | 3.9% | 21.0% | 5.0% | 0.8% | 69.4% |
| Media & Entertainment | 18.3% | 49.1% | 0.5% | 0.3% | 31.8% |
| Photo & Video | 33.4% | 20.2% | 0.1% | 0% | 46.3% |
| Productivity | 24.6% | 20.6% | 0.4% | 0.1% | 54.3% |
| Shopping | 12.2% | 77.8% | 0.4% | 1.5% | 8.1% |
| Social & Lifestyle | 43.7% | 31.4% | 1.1% | 0.6% | 23.2% |
| Travel | 25.5% | 20% | 0.4% | 0.2% | 53.9% |
| Utilities | 38.7% | 24.7% | 0.4% | 0.3% | 35.9% |

Distribution of plan durations (1 week, 1 month, 3 months, 6 months, 1 year) across various app categories, based on the share of total subscriptions.

# "Avoid lifetime plans"

First, there are no universal right answers — try stuff out, keep an open mind, and gradually chip away at the best approach to offering different plan durations. Here are a few rules of thumb to consider in your journey:

· Subscription tiers are the best way to offer different value to different people — don't provide more value to annual subscribers vs. monthly subscribers on the same tier.

· Only offering an annual plan usually leads to less long-term revenue, even after factoring in the better retention associated with annual plans. The exception to this rule is if you are especially vulnerable to seasonality. Some folks who hit the purchase page want to try a paid subscription, but won't want to buy a full year — the monthly plan is an effective onramp for those folks.

· People buying an annual plan are much less likely to be on the fence about buying a paid subscription, so discounting isn't as necessary. If you discount the annual plan too much, you may sacrifice revenue from folks who would have likely paid more. Most consumer products offer annual plans at a 17% discount relative to the annualized price of monthly plans (e.g., a $100 per year plan alongside a $10 per month plan) — unless you're vulnerable to seasonality, stick to this zone.

· Avoid lifetime plans. Building on some of the points above, lifetime plans tend to severely under-monetize the most passionate, loyal subscribers, many of whom would happily pay for memberships as long as you're in business.
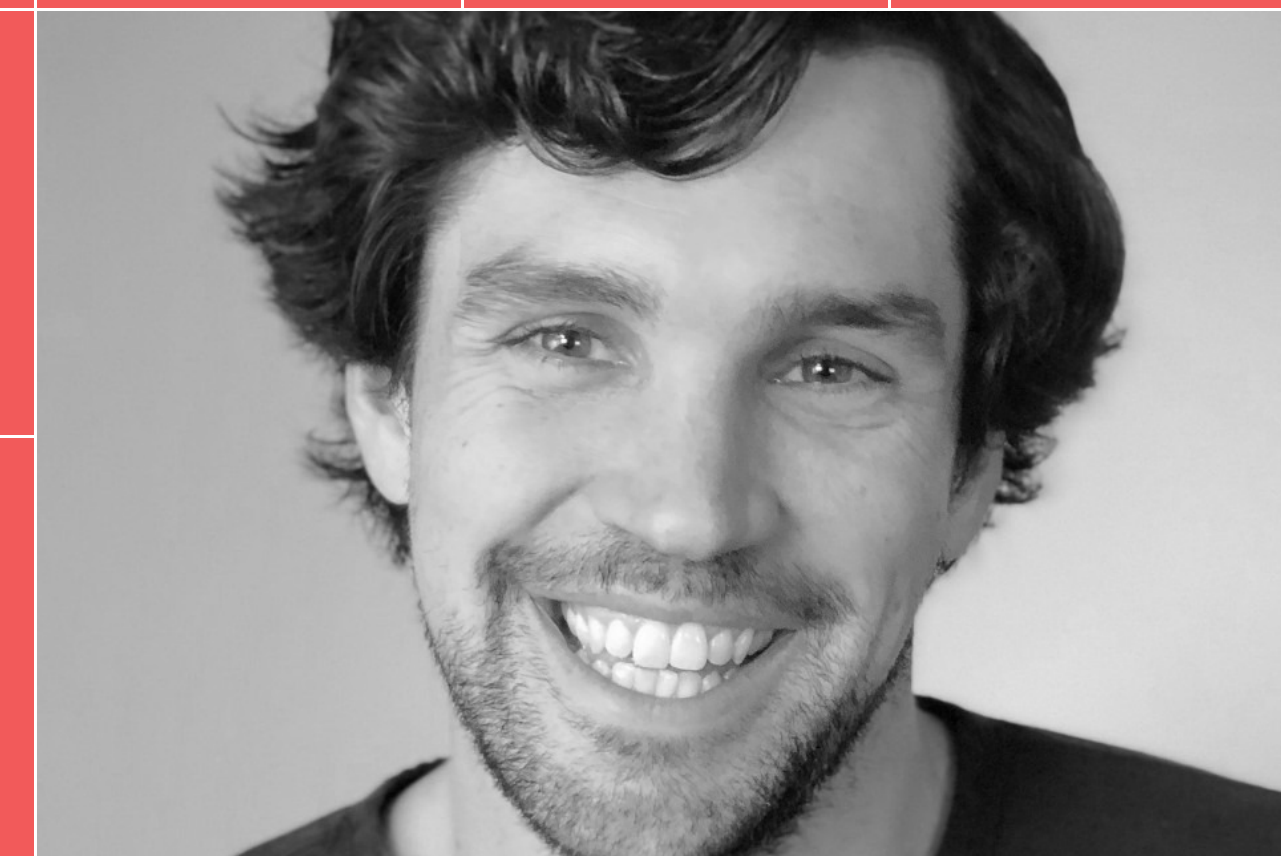
**Reid DeRamus**
Founder @ Caddie (ex Hulu, Crunchyroll, HBO Max, and Substack)

**Listen to Reid on the Sub Club podcast**

# Trial strategies across apps are diverse

· Nearly half of apps (47.84%) sometimes offer trials, while 28.81% don't offer trials at all, and 23.34% consistently provide trials.

· This is a **significant departure from last year's report**, where almost 40% of apps had no trial in place.

· Similarly, the share of apps that always offered a trial decreased significantly from over 30% last year to a little over 23% for this edition of the report.

· The move towards a mixed trial strategy might hint at an increased willingness to segment an app's audience and offer varying ways of evaluating and purchasing.

**TRIAL STRATEGY**



No trial **28.8%**

Always trial **23.3%**

Sometimes trial **47.8%**
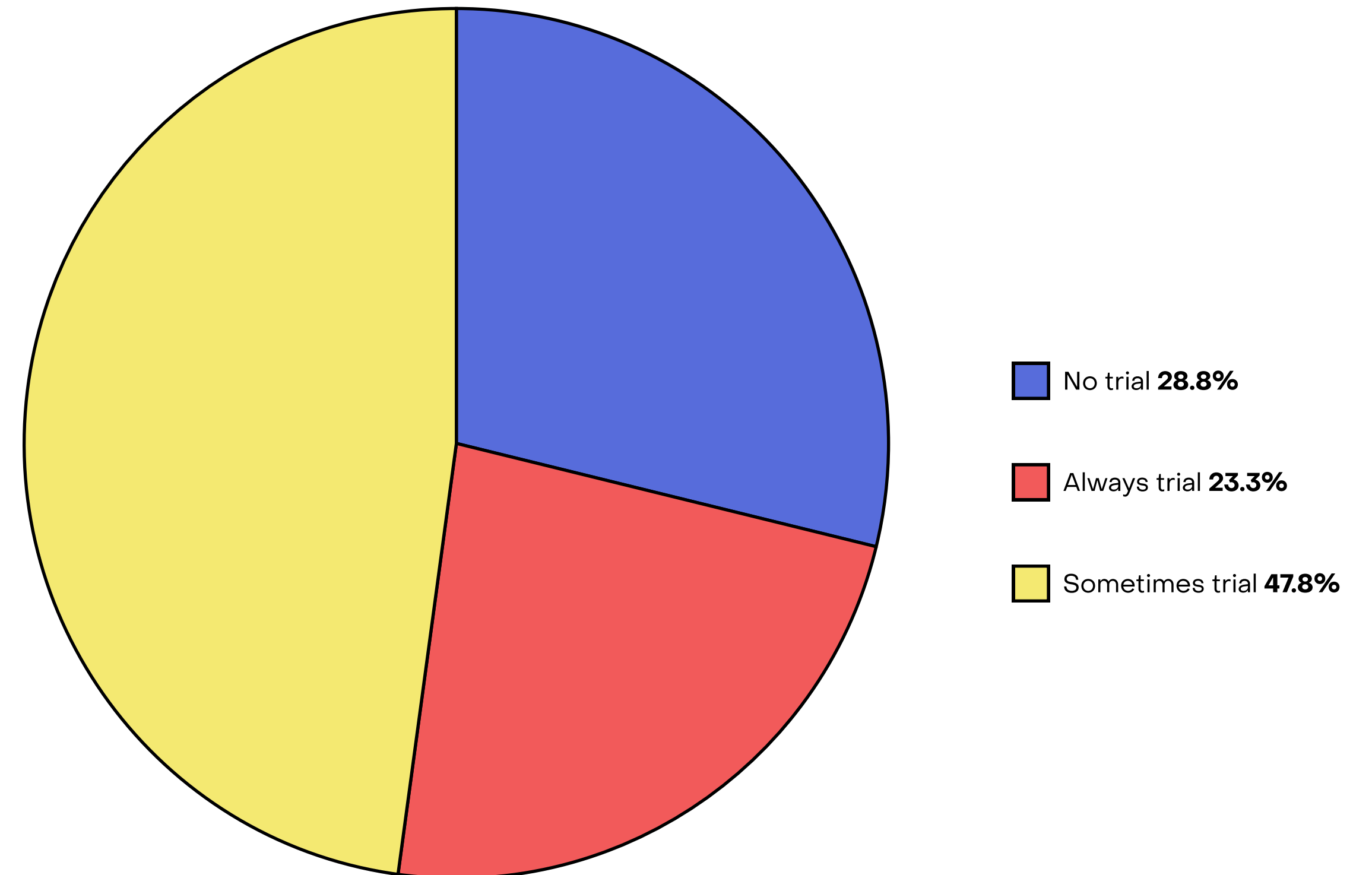
No Trial Strategy: Apps that never offer trials. Always Trial Strategy: Apps that always provide trials across products. Sometimes Trial Strategy: Apps that offer trials intermittently or for select products only.

# Shorter trial periods are the norm

· 5 to 9 days is increasing its lead as the default trial period.

· Even though longer trials are still relatively uncommon, **the absolute number of 17–32 day trials increased by ~50%**.

· Much of that growth seems to stem from developers dropping a 2–week trial (10–16 days) in favour of full month.

· Even though much of the data suggests that slightly longer trials convert somewhat better, developers seem to prioritise a more rapid conversion, which – in turn – helps keep CAC payback short.

**TRIAL DURATIONS - YEAR-ON-YEAR**



Legend: Previous year, Current year

| Category | Previous year | Current year |
|---|---|---|
| <= 4 days | 44.62% | 44.06% |
| 5–9 days | 48.1% | 48.62% |
| 10–16 days | 3.98% | 2.84% |
| 17–32 days | 3.31% | 4.48% |
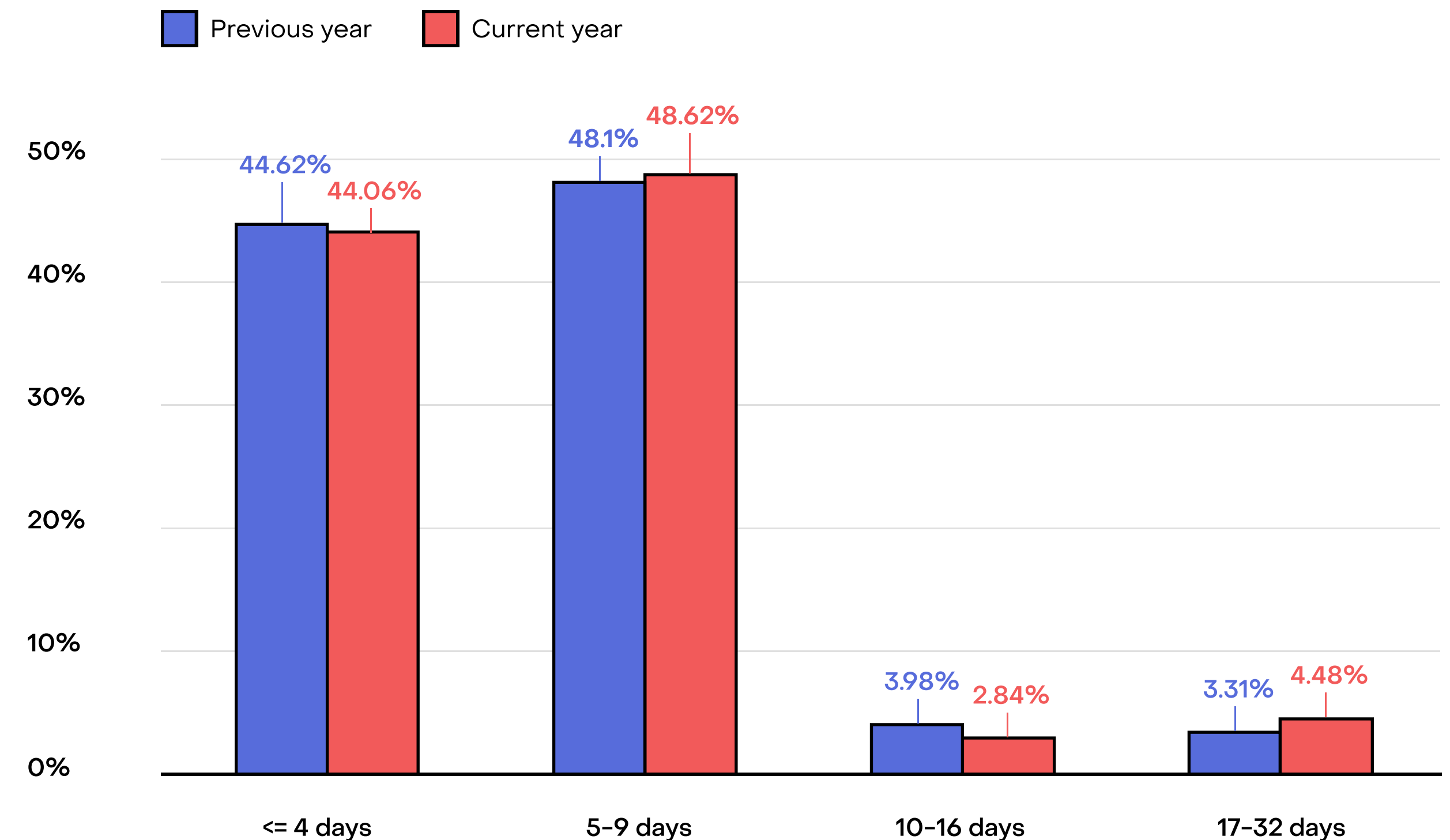
The percentages of trials recorded by RevenueCat taking <=4 days, 5–9 days, 10–16 days, and 17–32 days for the current year versus previous year.

# Media & Entertainment and Shopping apps offer longer trials

· Media & Entertainment (mainly streaming) apps have relatively long trial periods, with **some developers opting for 30-day trials**.

· When games offer subscription trials, they tend to be very short (over 90% are shorter than 4 days).

· Shopping apps provide longer-than-average trials, possibly as a means of augmenting commerce revenue — discounts and free shipping for trial subscribers can lead to larger cart sizes and higher purchase revenue, an upside for the developer even without collecting payment for a subscription.

**TRIAL DURATIONS PER CATEGORY**



Legend: <= 4 days | 5–9 days | 10–16 days | 17–32 days

Categories: Business, Education, Gaming, Health & Fitness, Media & Entertainment, Photo & Video, Productivity, Shopping, Social & Lifestyle, Travel, Utilities
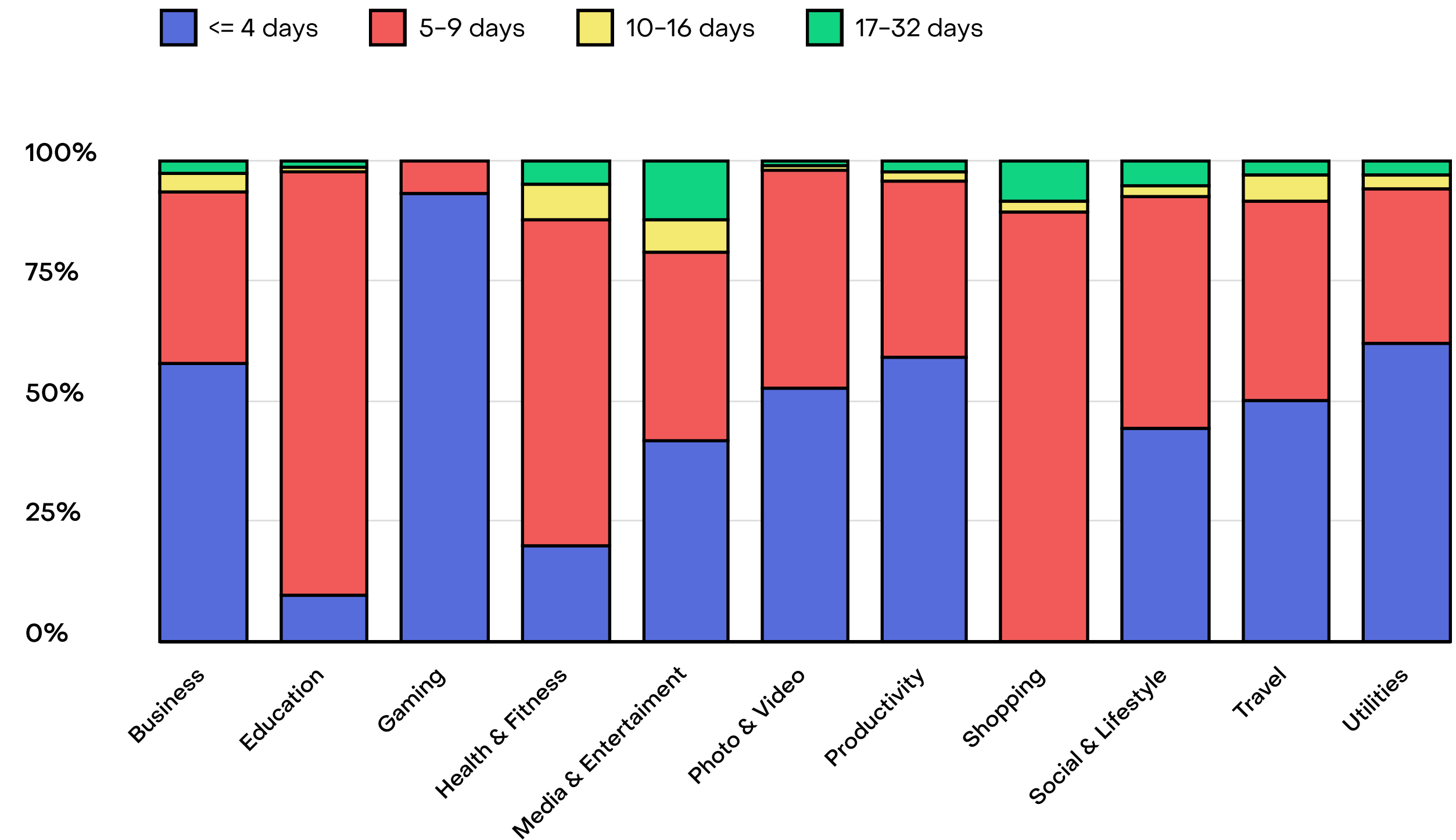
All trials, broken down by duration and category.

# "Short trials are the equivalent of a speed date"

Reflect for a moment on your product. How long is your trial? Do you have one? It's impressive to admire the audacity and the boldness of a month-long trial.

Offering a trial for an entire month? That's a company staking everything on their product's allure.

Thirty days give users ample time to discover kinks or grow disenchanted, but Media & Entertainment are confident. They know the content (and entertainment) they're providing are sticky enough to hold you.

Compare this to gaming apps, who adopt a 'love at first play' ethos. Their trials are the equivalent of a speed date: brief yet intense, betting on that initial rush of gaming adrenaline to get users to swipe right on a subscription.

It's a fast-paced courtship that relies on the allure of instant gratification—get in, get hooked, get the full version, all before the novelty wears off. Where does your product lean?

**Hannah Parvaz**
Founder of Aperture
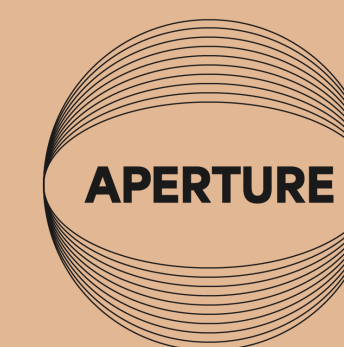
**Listen to Hannah on the Sub Club podcast**

# For most categories, subscription-only is the dominant model

· Most apps in the Business, Education, Health & Fitness, and Utilities categories use a subscription–only model.

· **Gaming shows a blend of the subscription and consumable models**, with 22.7% of apps incorporating both.

· Media & Entertainment, Photo & Video, and Social & Lifestyle also use mixed monetization strategies, though to a lesser extent than Gaming.

**MONETIZATION STRATEGIES - BY CATEGORY**
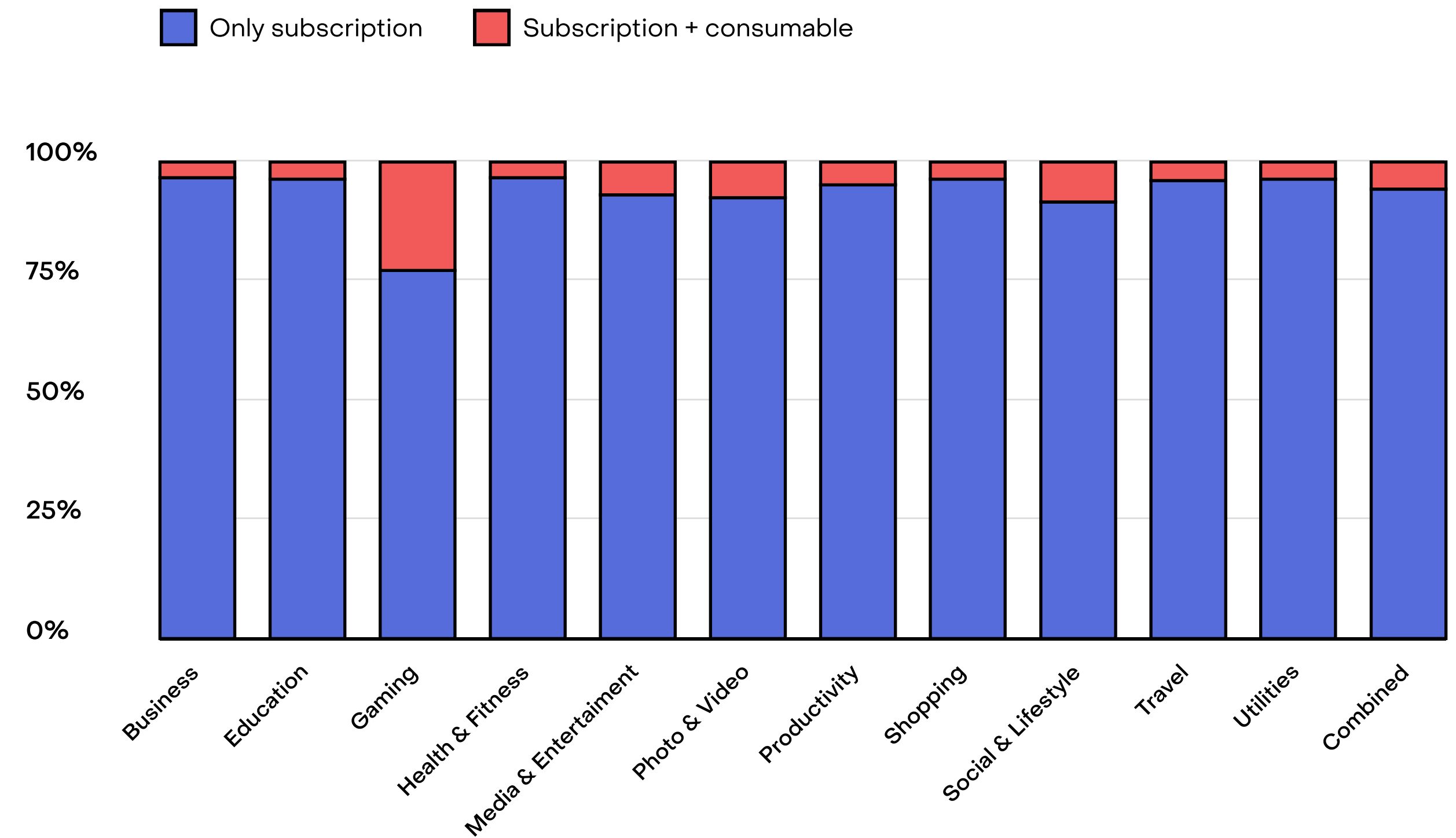


The distribution of monetization strategies, comparing subscription–only and subscription–plus–consumable models across various app categories.

# "You only have to acquire the customer once"

For the companies with the skills to scale a subscription model, there is a lot to love about recurring revenue. You only have to acquire the customer once and you can set up predictable cash flows for a substantial amount of time. More industries are figuring this out. For the products that sit in a truly recurring use case, this can be a win-win for the consumers and the business. The longer that someone wants to use the product or service that you provide, the bigger the business you can build.

That said, the pure subscription model often misses out on a lot of extra value customers could bring to the table. Tinder, for example, shows us that mixing a subscription plan with things people can buy (like boosts and super likes) really ramps up the money-making and lets users who love the app spend more on it.

**Dan Layfield**
Founder of Subscription Index
(ex Codecademy and Uber)

SUBSCRIPTION INDEX

# With exceptions, offer usage is relatively rare

- Around **9% of apps across all categories use offers**, with a slightly higher usage in the App Store (9.51%) than in Google Play (8.14%).

- The Health & Fitness category leads in offer usage, exceeding 15% in both stores. Based on other behaviours in the category, this might be indicative of the relatively mature monetization tactics deployed by Health and Fitness apps.

- Gaming has the lowest adoption of offers, at approximately 3.5%.

**OFFERS – BY CATEGORY**
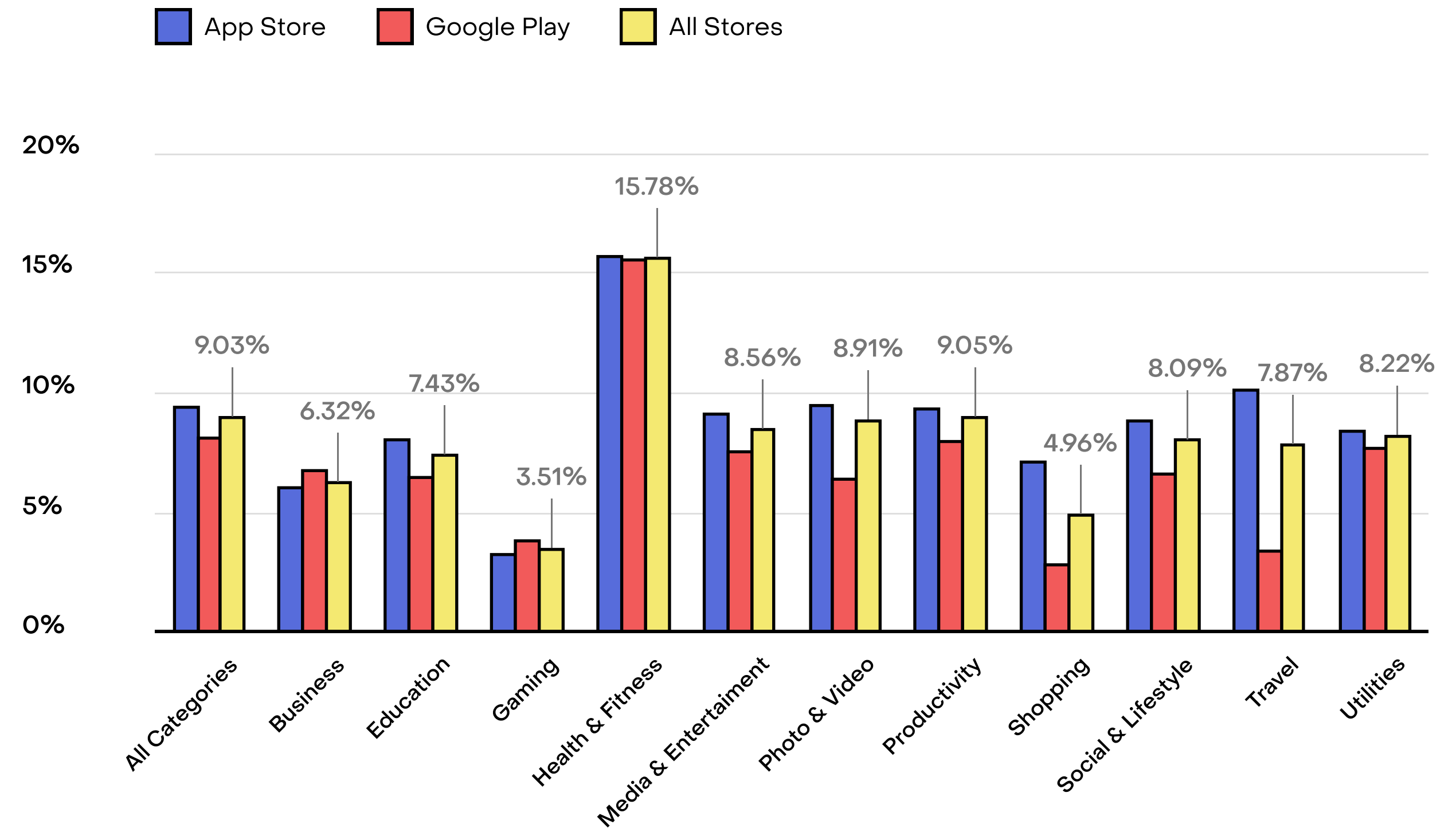


The percentage of apps using offers in the App Store, Google Play, and across all stores, broken down by app category.

# Intro offers are popular across stores

· The distribution of offer types between the App Store and Google Play reveals distinct preferences.

· Introductory offers are more prevalent in Google Play (66.6%) than in the App Store (44.1%).

· Conversely, **offer codes are used more in the App Store** (56.6%) than in Google Play (38.8%).

· Promotional offers, which are exclusive to iOS, are used by 23.9% of App Store apps employing offers, highlighting a unique promotional strategy not available in Google Play.

**OFFER TYPES – BY STORE**

■ App Store   ■ Google Play

| | Intro offers | Offer codes | Promotional offers (IOS only) |
|---|---|---|---|
| App Store | 44.15% | 56.64% | 23.89% |
| Google Play | 66.63% | 38.84% | |
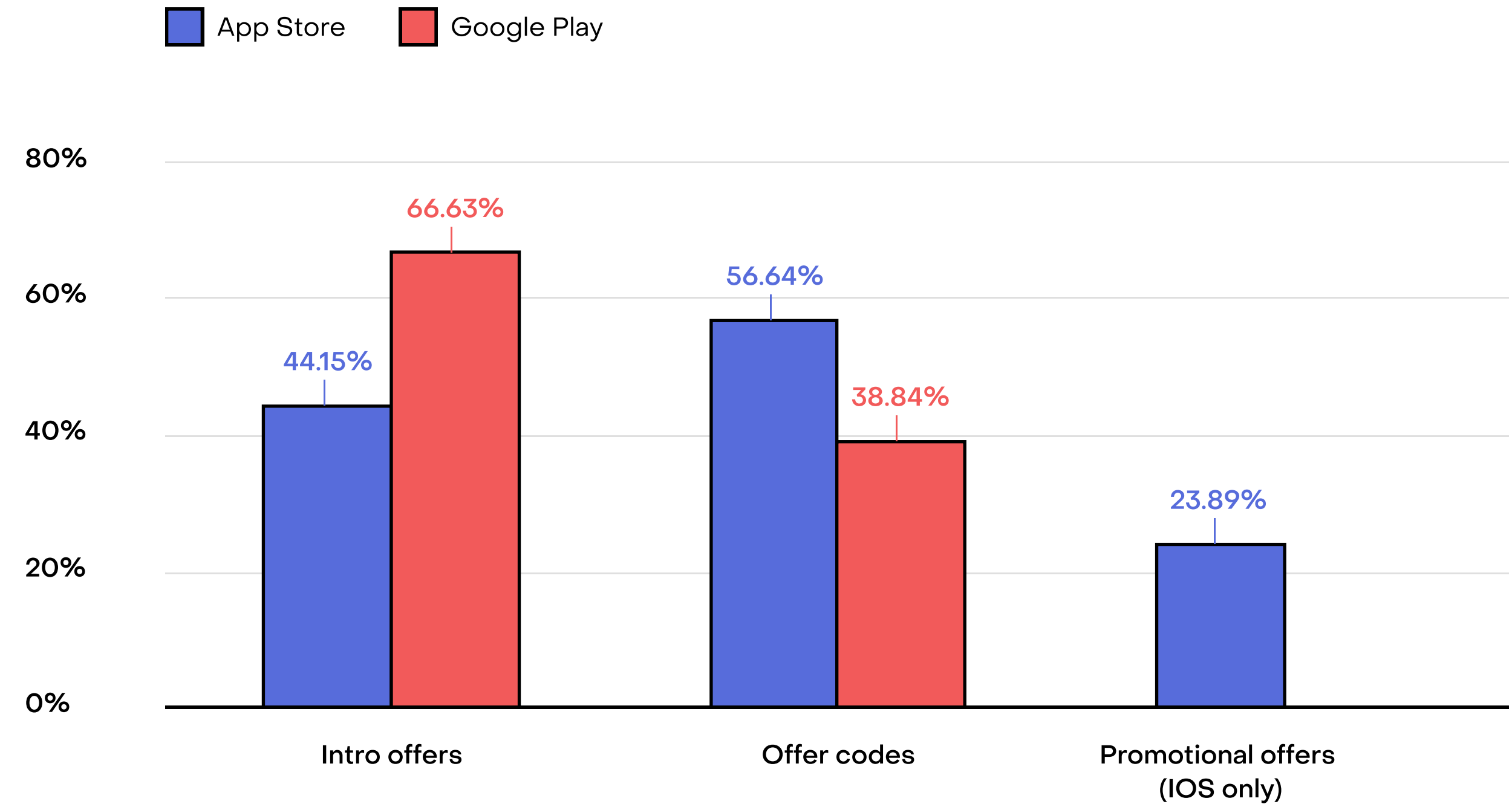
The distribution of offer types, including introductory offers and offer codes, in the App Store and Google Play.

# "Don't be afraid to experiment on your trial length"

Many trials default to 7 days, however that might not be ideal for your product. It's important to ensure the length of your free trial allows for habit formation with your subscription features.

Make sure you have enough time to fully educate users on the value behind the paywall and that they have enough time to experience the value before having to decide whether to pay.

For some products, 7 days might be enough, especially if you have a daily use product. But if your product is used less regularly, then think about longer trial lengths like 14, 30 or even 60 days.

Don't be afraid to experiment on your trial length and even use longer length trials as a special promo at certain points in the year.

**Jason van der Merwe**
Director of Growth
Engineering at Strava

**STRAVA**

**Listen to Jason on the Sub Club podcast**

### How To Raise Prices (the Right Way)
**— Reid DeRamus**



### Practical ways to shorten campaign payback periods
**— Thomas Petit**

"We've definitely done a lot of surveys. And not only to find what our core price should be, but to think about what our most passionate fans would pay relative to your core subscriber. […]

They maybe have more price elasticity or a higher willingness to pay a higher price for maybe not even that much different of a product relative to your core product, which is what most people are buying."

"Another way to optimize for payback, in the case of subscriptions, is to show users a yearly instead of monthly or even weekly option by default. This may or may not increase overall ARPPU, and requires subtle design.

But unless you severely harm conversion, yearly plans will bring more revenue forward as the first invoice includes the entire first year of revenue, which would have taken several months to compound otherwise."



### How to Optimize Free Trial Length to Increase Conversion Rate
**— Anastasia Karpikhina**
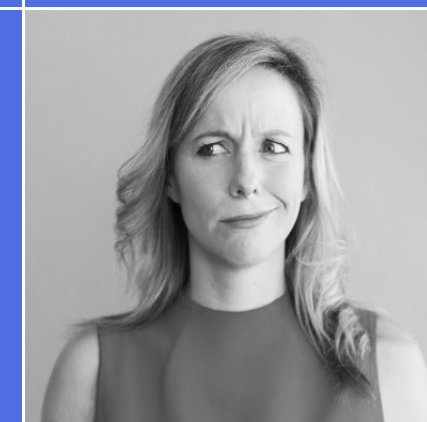


### The ultimate guide to willingness-to-pay
**— Kristen Berman**

"While the LTV and CAC should underpin your decision on trial length, if your product is technically complex, seven to fourteen days may be insufficient for users to reach the 'a-ha' moment and receive full value. You may therefore be neglecting those users who could bring high LTV later on."

"Pricing is the most under-leveraged growth lever. It can drive enormous sustained growth (quickly) and often takes very little product work, yet is rarely prioritized or even discussed within product teams. That's because pricing can be scary, irrational, and hard to know if you've done it right. Yet everyone who invests in pricing wishes they'd done it a lot sooner."

# Join us live!

Reading this before March 27th? **You're in luck**: Join subscription guru Phil Carter, RevenueCat CEO Jacob Eiting, and Sub Club host David Barnard for a live roundtable discussion about the very report you're reading right now.

During this one-hour live event, they'll guide you through this year's findings, cover data points that didn't make it into the final report, and take audience questions.

**Claim your seat now**

Reading this *after* the 27th? All is not lost. The same link used to sign up for the webinar will get you the recorded session.

RevenueCat

## The State of Subscription Apps, 2024

**27th March,** 11am PT / 2pm ET / 7pm CET

# A special Sub Club episode:

Sub Club is RevenueCat's subscription growth podcast. **Over 10,000 listeners tune in every 2 weeks** to hear subscription CEOs, growth practitioners, investors, and other experts share practical learnings and advice.

Find Sub Club wherever you listen to podcast for a very special episode: In this extended edition of Sub Club, hosts David Barnard and Jacob Eiting give you their unfiltered thoughts about this year's report:

Listen to the special episode



$ub Club

Featuring
Jacob Eiting &
David Barnard

The Future of Subscription Apps
(Why We're So Excited For 2024)

Podcast by
RevenueCat

How well do apps convert downloads
and trials into subscribers?

What we'll be benchmarking:

- **Trial start rate**
- **Trial conversion rate**
- **Download-to-paid conversion rate**

# Conversion

# Some app categories excel at converting installs to trials, while others lag behind

- Trial start rates vary notably across app categories. Health & Fitness and Business lead with median rates of 6.7% and 6.9%, respectively, compared to lower rates in Gaming (2.9%) and Media & Entertainment (3.9%).

- The Business and Health & Fitness categories excel, with **top performers showing conversion rates up to 13.3% and 13.5%**.

- These variances could stem from differing monetization models and user familiarity with subscriptions. High-value app categories like Business and Health & Fitness tend to have users who are more motivated to pay for subscriptions.

**TRIAL START RATE - BY CATEGORY**
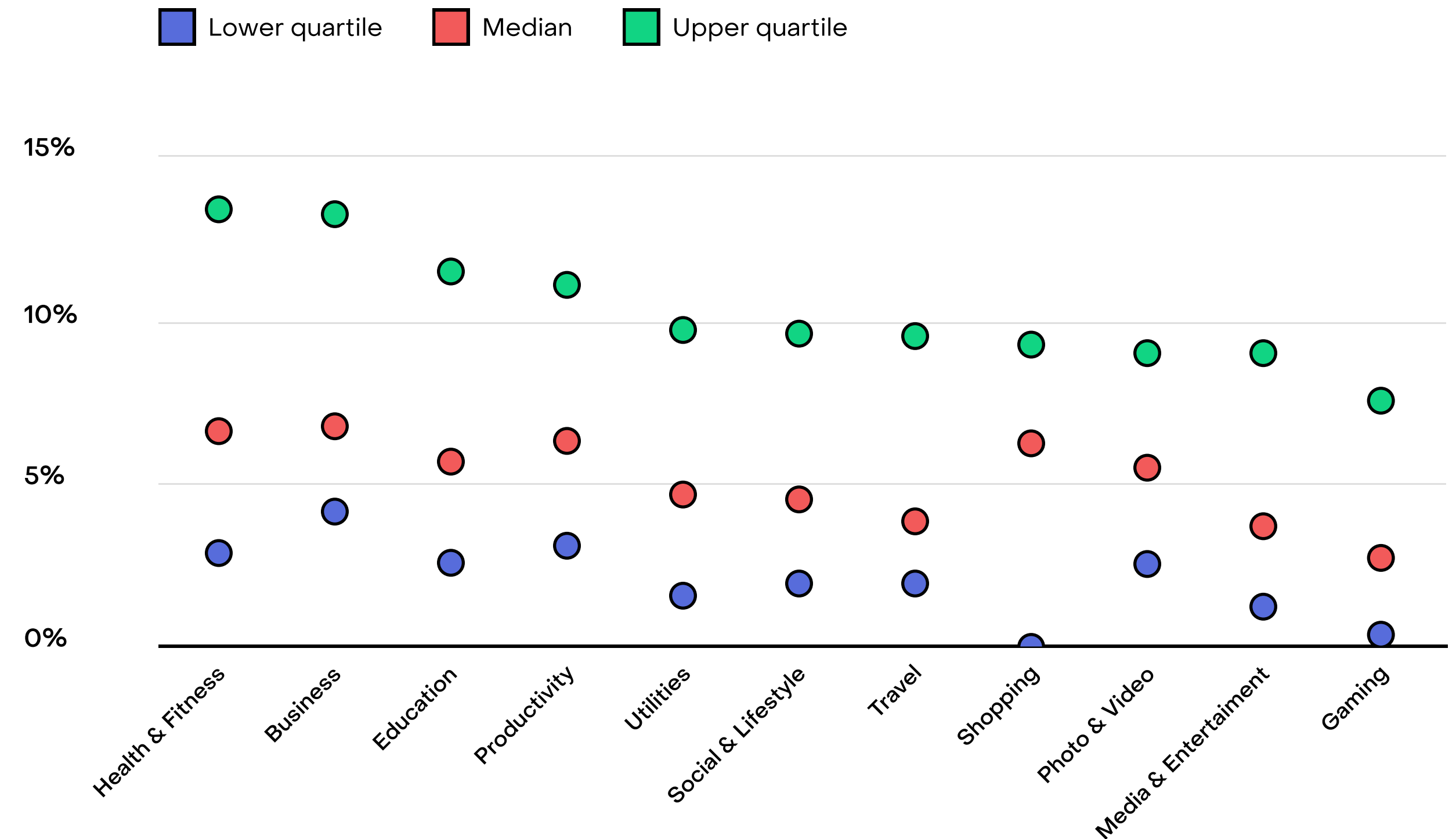


Trial start rates across various app categories, segmented into lower quartile, median, and upper quartile percentages.

# Most trial starts occur within the first 24 hours

- **Most users start trials within 24 hours of downloading an app**, with Utilities (86.0%) and Business (85.1%) leading in immediate starts.

- In contrast, Shopping sees only 38.5% starting trials on day one, with 29.0% after 30 days or later. This is likely a consequence of Shopping's reliance on ecommerce as primary monetisation method, and a reduced focus on immediate conversion to subscriber.

- Other categories with relatively late trial starts tend to be categories that – traditionally – sport relatively strong free offerings, like Social & Lifestyle.

**TIME TO TRIAL START**
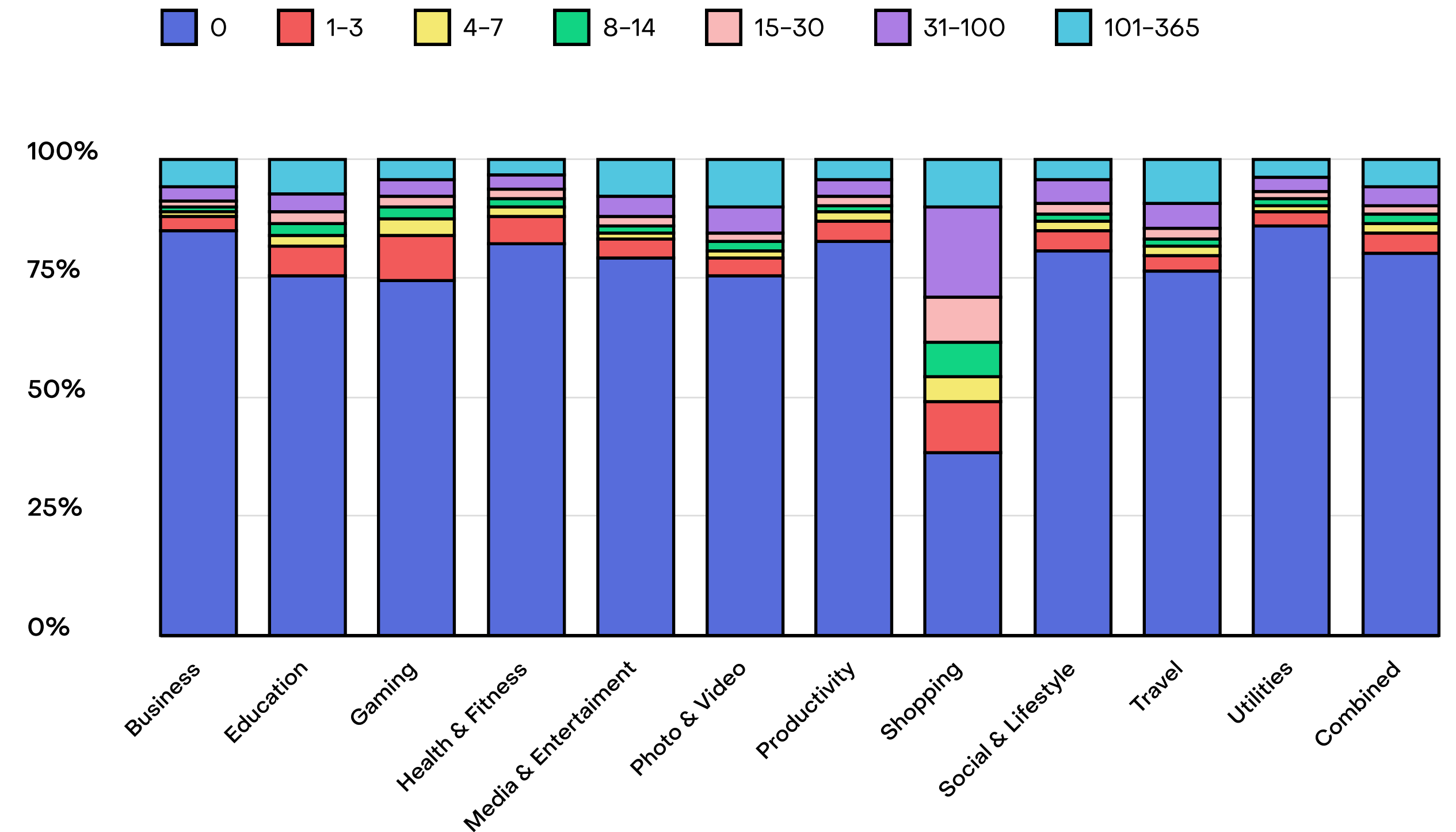


The percentage of users starting trials at different time intervals post-download, segmented by app categories.

# "Apps that solve problems make money"

Users convert when they are convinced your app solves a real problem in their lives. It's your job to show the user you understand the problem and have a viable solution for it – ideally in the first session! In other words, you want to get a user to that "aha moment" within 60 seconds of installing your app.

Many times, the best way to achieve this is during onboarding. Embed an "MVP" of your app right into the onboarding process and guide the user through their first use case. For best results, follow this up with a paywall moment.

Need an example? A movie recommendation app might ask the user to name 3 favorite movies during onboarding, then show a list of movies they might enjoy. A fitness app might ask what equipment the user has access to then show a preview of a routine they could follow.

Just remember: apps that solve problems make money – you just need to prove your solution works.

**Jake Mor**
Co-founder & CEO,
Superwall

$UPERWALL

**Listen to Jake on the Sub Club podcast**

# Average trial conversion performance dropped by 3% year on year

- This year's trial conversion rate dropped to **37.3%** (**down from 40.5% last year**), hinting at changes in user behavior or trial impact.

- Shorter trials (<=4 days) yield a 31.2% conversion rate, while longer trials reach up to 44.9%. App Store trials surpass Play Store trials, averaging 39.0% compared to 28.5%.

- The decrease in trial conversion rate may relate to market saturation and the rise in subscription offers. Platform disparities likely reflect different user demographics and spending patterns.

**TRIAL CONVERSION RATE - SEGMENTED**
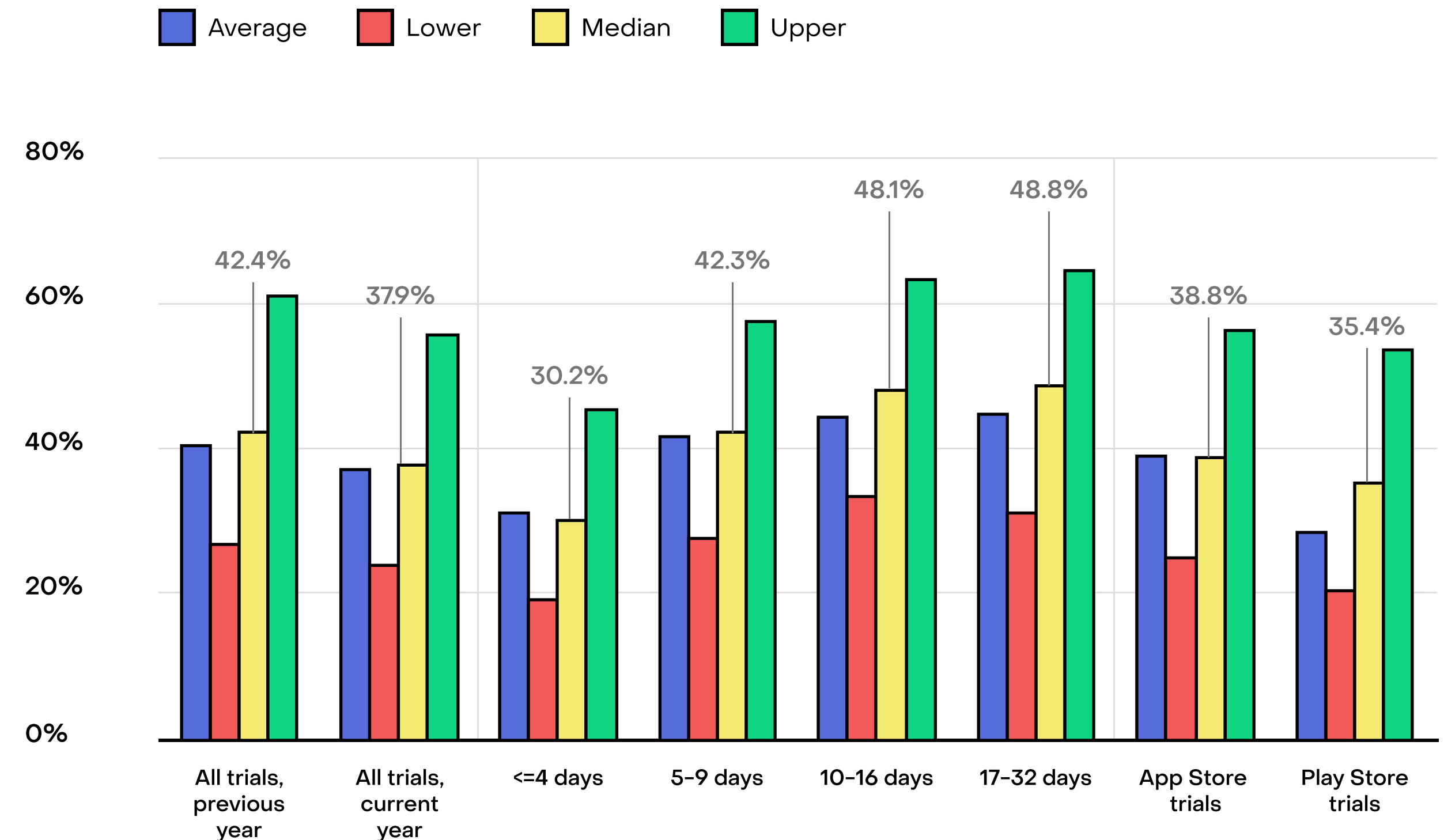


Trial conversion rate indicates the percentage of users who subscribe post-trial, reflecting (among other things) your app's perceived value.

# Which categories best convert trial users into subscribers?

- Trial conversion rates vary across app categories. Travel, Shopping, and Health & Fitness excel with conversion rates of 54.3%, 45.4%, and 44.5% respectively, while Photo & Video and Gaming clearly underperform with 26.2% and 30.8%.

- Notably high upper quartile rates in Media & Entertainment (60.3%), Travel (66.9%), and Health & Fitness (58.8%) indicate top-performers are particularly good at converting trial users into subscribers.

- Differences likely stem from how users value each category. **Higher conversions** in Shopping and Travel **suggests strong intent**, whereas lower rates in Gaming and Photo & Video may reflect more casual engagement.

**TRIAL CONVERSION RATE - BY CATEGORY**
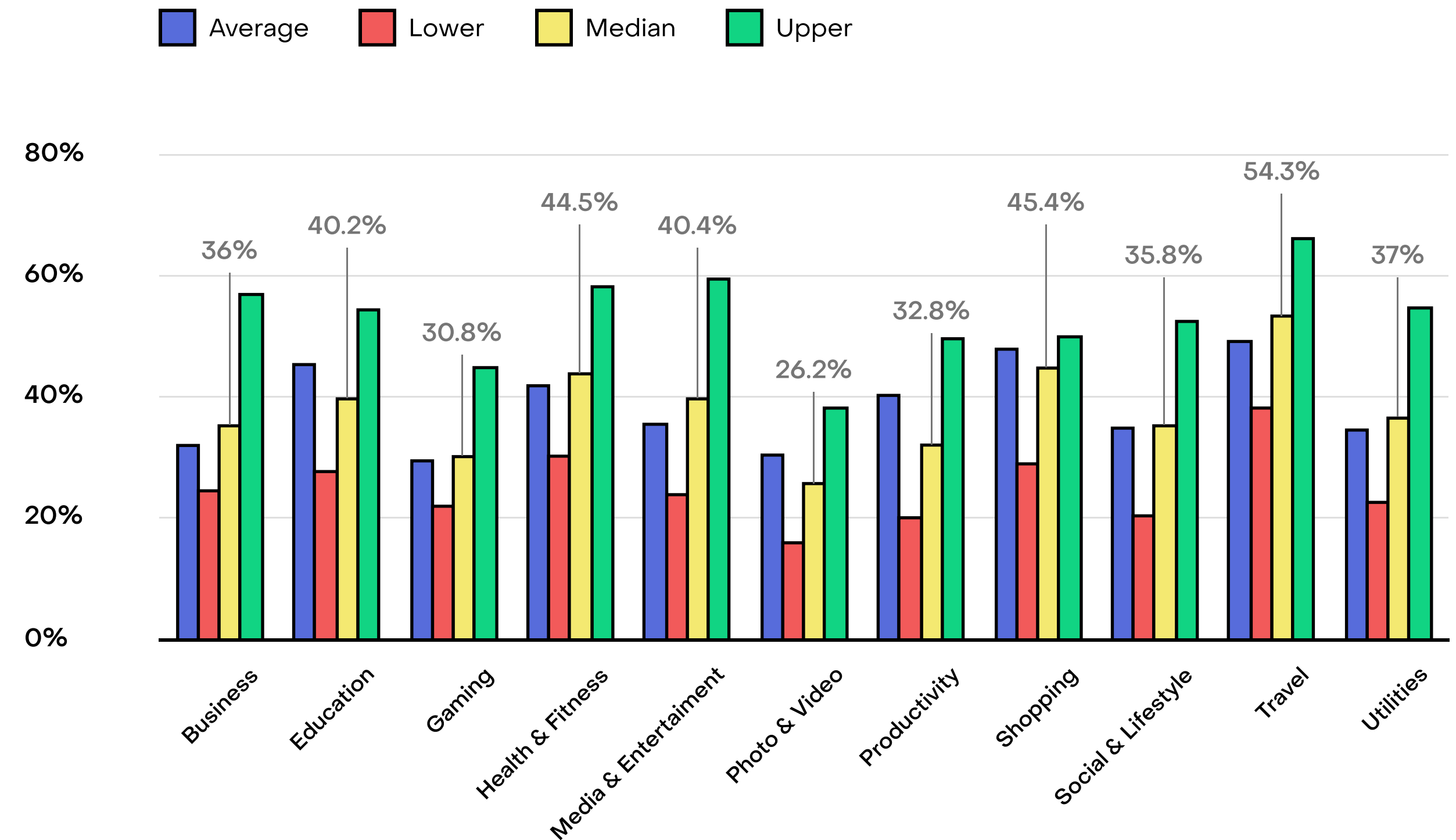


Trial conversion rate, providing insights into how different app categories fare in converting users from trial periods to paid subscriptions.

# "It's no wonder that trial conversion rates are declining"

In addition to the trial length, trial conversion rates are impacted by the mix of product durations (and corresponding prices).

In most categories, developers influence customers to select longer product durations, which tend to have lower trial conversion rates due to the bigger commitment. Apps have also gotten more "forward" with monetization by showing free trial paywalls early on, using softer copy to improve conversions (e.g., "Redeem your free week"), and increasing paywall frequency.

Consumers are getting savvier, and many of them turn auto-renew off within a few minutes.

So, it's no wonder that trial conversion rates are declining.

This illustrates that a free trial opt-in is just the beginning. While it's often the event (or part of the event) app acquisition campaigns optimize for, it should not be the focus metric, and more attention should be put on product activation to improve conversions.

**Sylvain Gauchet**
GrowthGems.co,
Babbel

GROWTH GEMS
Accelerate your growth with key insights

**Listen to Sylvain on the Sub Club podcast**

# Educational app downloads in South Korea convert best

- Download–to–paid conversion rates vary by region. North America leads, especially in Business (9.8%) and Health & Fitness (9.4%).

- Europe, the Middle East and Africa generally shows lower rates, but Business (4.5%) and Health & Fitness (4.4%) outperform.

- On average, both Japan and South Korea show better download to paid conversion then Europe, the Middle East and Africa, with both converting a little over 2% of download, while Europe falls short of 1.5%.

- The best performing combination of market and category is Education in South Korea, **converting an exceptional 10.7% of downloads into new, paying subscribers**, which is a significant multiple compared to the 1.7% conversion rate across all categories and regions

**DOWNLOAD TO PAID - SEGMENTED**



Legend: EMEA, Japan, NA, ROW, South Korea, All locations
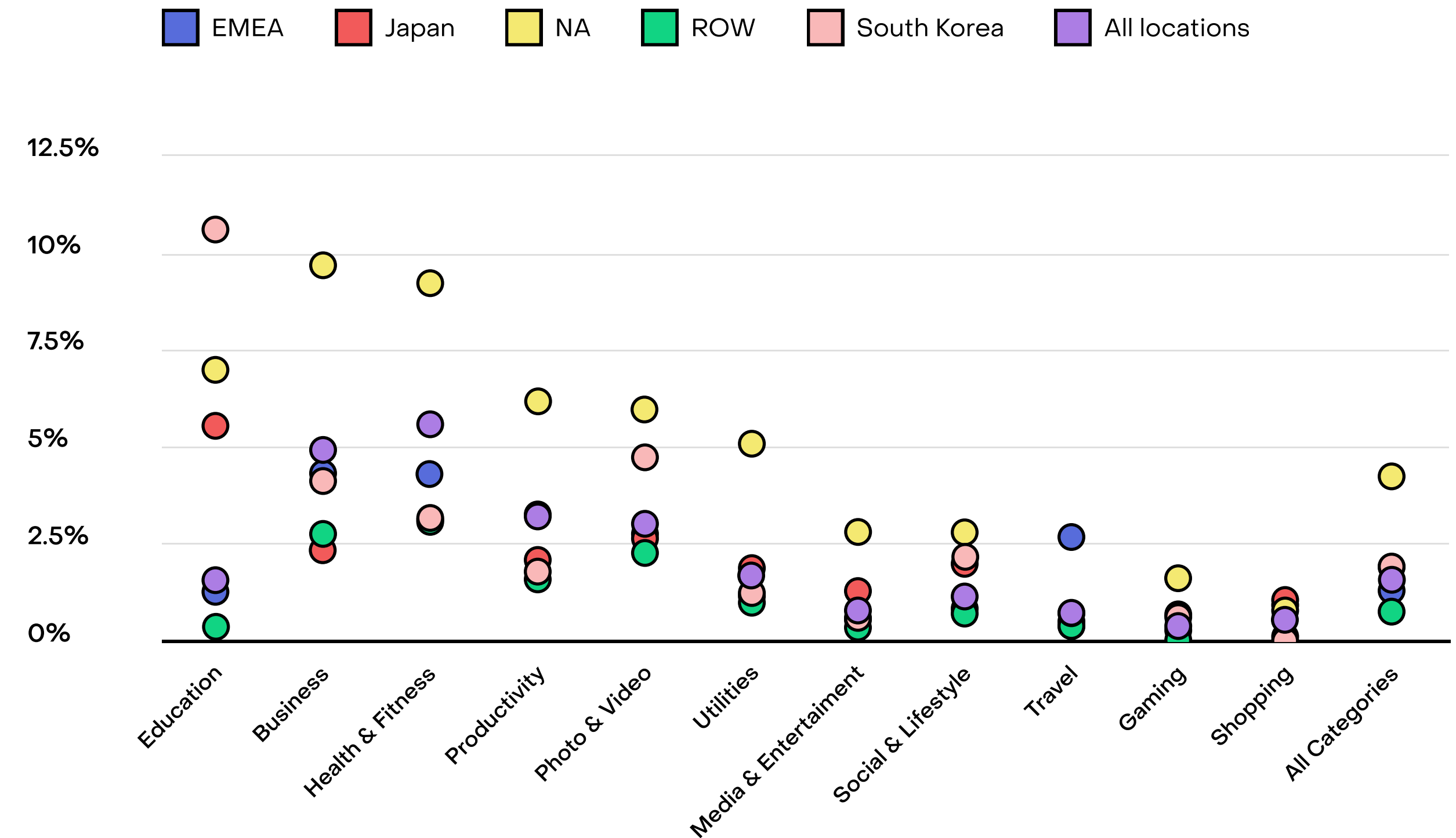
Conversion rate measures the percentage of users who become paying subscribers after app download.

# "Marketing teams will continue to struggle if conversion isn't up to scratch"

Monetization continues to be the biggest lever for growth for subscription apps, the two biggest factors being pricing and conversion from install to paid. Even small things like price localisation per market, copy changes on paywalls, discounts, and onboarding tweaks can massively impact conversion and LTV – crucial for the LTV:CAC ratio and significantly easier than bringing down CAC. Marketing teams will continue to struggle if conversion isn't up to scratch, so it's worth spending considerable time on the early funnel.

**Rosie Hoggmascall**
Product Growth Consultant
& App Leader 2023

# Maximize conversion with RevenueCat

Learn what drives growth with remotely configurable A/B tests and full-funnel analytics:

**LEARN MORE**

Or discover one of RevenueCat's other conversion-driving features:

- Customize native paywall templates or bring your own. Remotely configure changes to any element

- Target and optimize paywalls, pricing, and packaging by audience segment and in-app placement



Unlock Premium

Monthly

Yearly  -35%

Start subscription

VS

Spice up your kitchen - go **Pro** for benefits

Lifetime membership

Start now
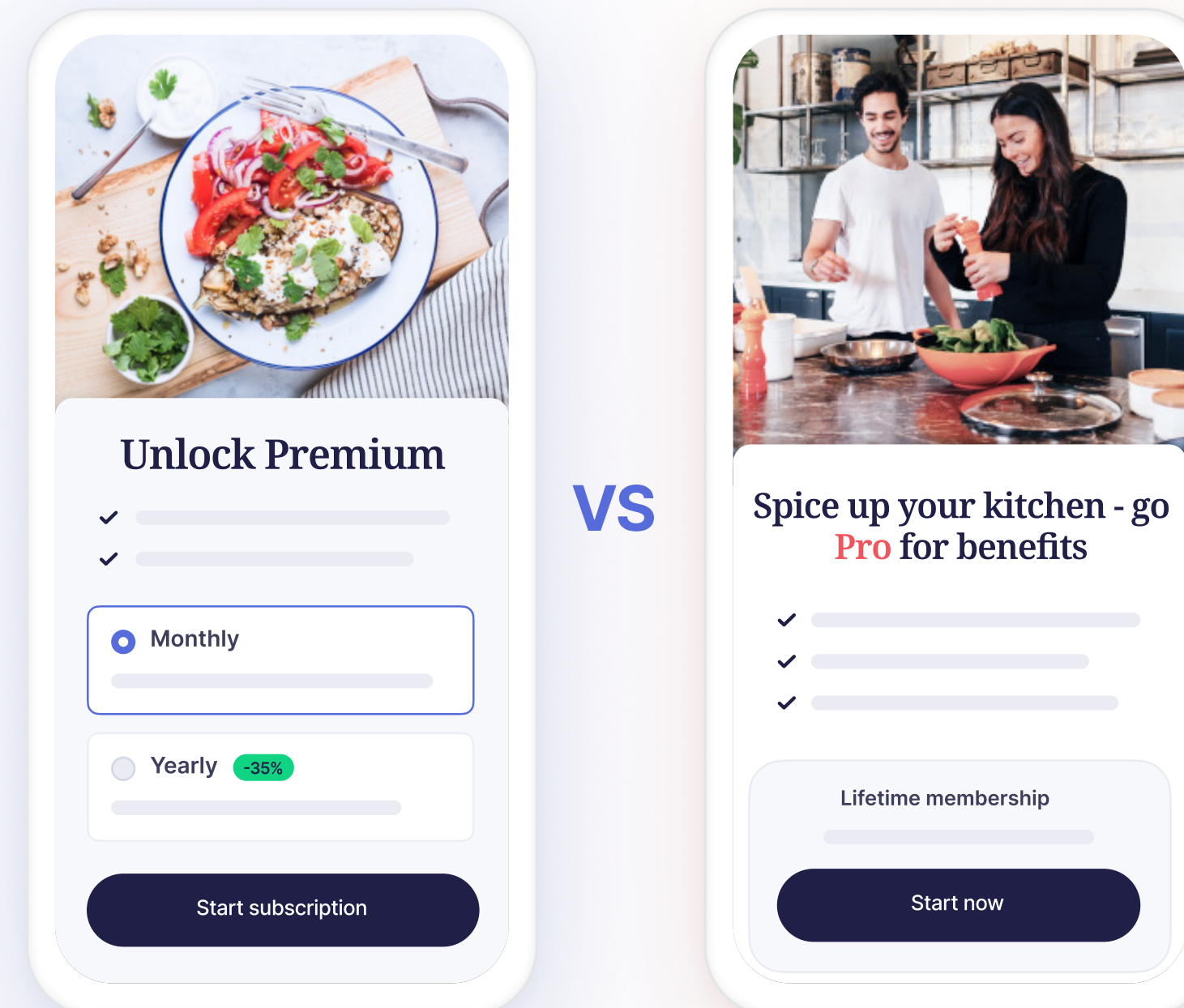
**How Ethical Design at Blinkist Led to 23% Growth**
— **Jaycee Day**

"It's because of the transparency and the trust. … People have been burned so many times through other apps that it benefited us. … [Users thought,] Finally, an app that I can trust — they know how I feel, and they're listening. That was just super important: Letting people know that they can cancel [and that] they don't have to be scared of us."
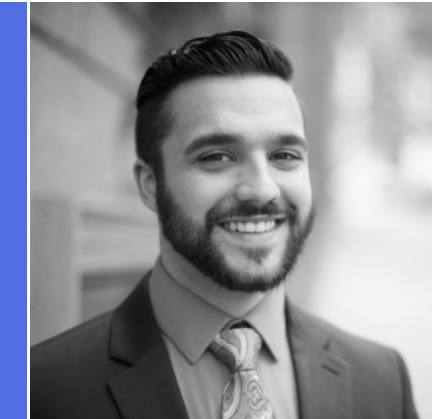


**8 Strategies for Converting Free Trials Users into Paying Customers — Eduardo Lopez**

"So why do some trial users convert while others churn? The most common reason […] your product didn't meet the user's expectations or drive the desired outcome. Here are a few other reasons why trial users fail to convert:
· Not a good fit between what the user expects and what the product delivers.
· The activation process solely focuses on conversion.
· Inefficient or broken onboarding experience.
· Pricing doesn't match perceived value."



**How Flo and Zoe use a Web-to-App to boost their conversion — Angele Lenglemetz**

"Quizzes are an effective way to start engaging future users and get leads. Never underestimate how much users enjoy answering questions. They are a way to increase the intent of users. Mathema saw their conversion rate jump from 7% to 13% after introducing a quiz funnel. Because the intent is higher, it's then easier to monetise these users."



**The Subscription Stack: Conversion Rate Optimization (CRO) — Alice Muir**

"One of the most straightforward things you can do to increase conversion is to simply engage more with your customers through Customer Relationship Management. Otherwise known as Lifecycle Marketing, this relates to guiding potential customers through the different stages of the customer journey. […] For example, sending a welcome email to educate users on the difference between the free and paid app experience is a typical way to onboard – and activate – new users."

How effectively are apps monetizing their user base?

What we'll be benchmarking:

- Realized lifetime value
- Refund rate

# Monetization

# Realized LTV increased significantly across App Store and Play

- Over the last year, both 14-day and 60-day Realized Lifetime Value (RLTV) grew significantly, with blended D14 RLTV across stores growing from $0.06 to $0.08, while D60 grew from $0.08 to $0.12

- Although RLTV from traffic driven by Apple Search Ads (ASA) fell, **it still yields about 10x revenue compared to an average user**, with a strong D14 number seemingly correlating to fast conversion

- However, ASA isn't a magic bullet — there's a clear cap on profitable user acquisition, making funnel performance tracking essential

**14- AND 60-DAY REALIZED LTV, YEAR OVER YEAR**
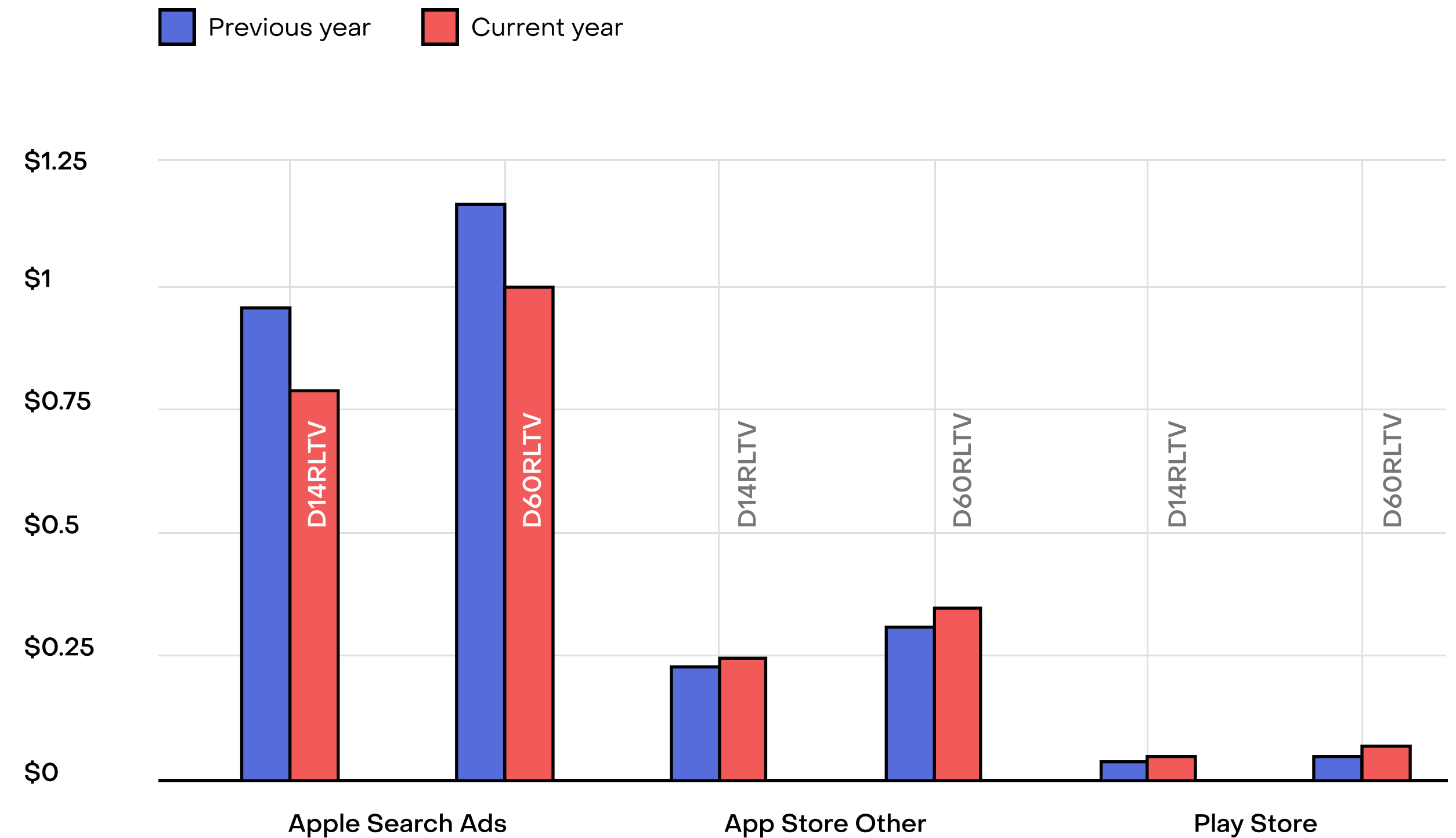


RLTV (Realized Lifetime Value) includes all the revenue generated by a user after download, with RLTV14 showing 2 weeks of earnings, and RLTV60 showing approximately 2 months.

# North America leads in RLTV, but there are other opportunities

- **North American 14-day RLTV is 4x the global average**, at $0.35 versus $0.08.

- When taking ASA sourced traffic out of account, US Google Play downloads outperform App Store downloads from other regions in terms of RLTV.

- Both Japan and South Korea seem to monetize Play downloads better, which – due to Samsung's local dominance – was expected in South Korea, but is surprising in Japan.

- On average (when combining all platforms and sources), Japan and South Korea both outperform EMEA in terms of revenue per download.

**14 AND 60 DAY REALIZED LTV, BY REGION**
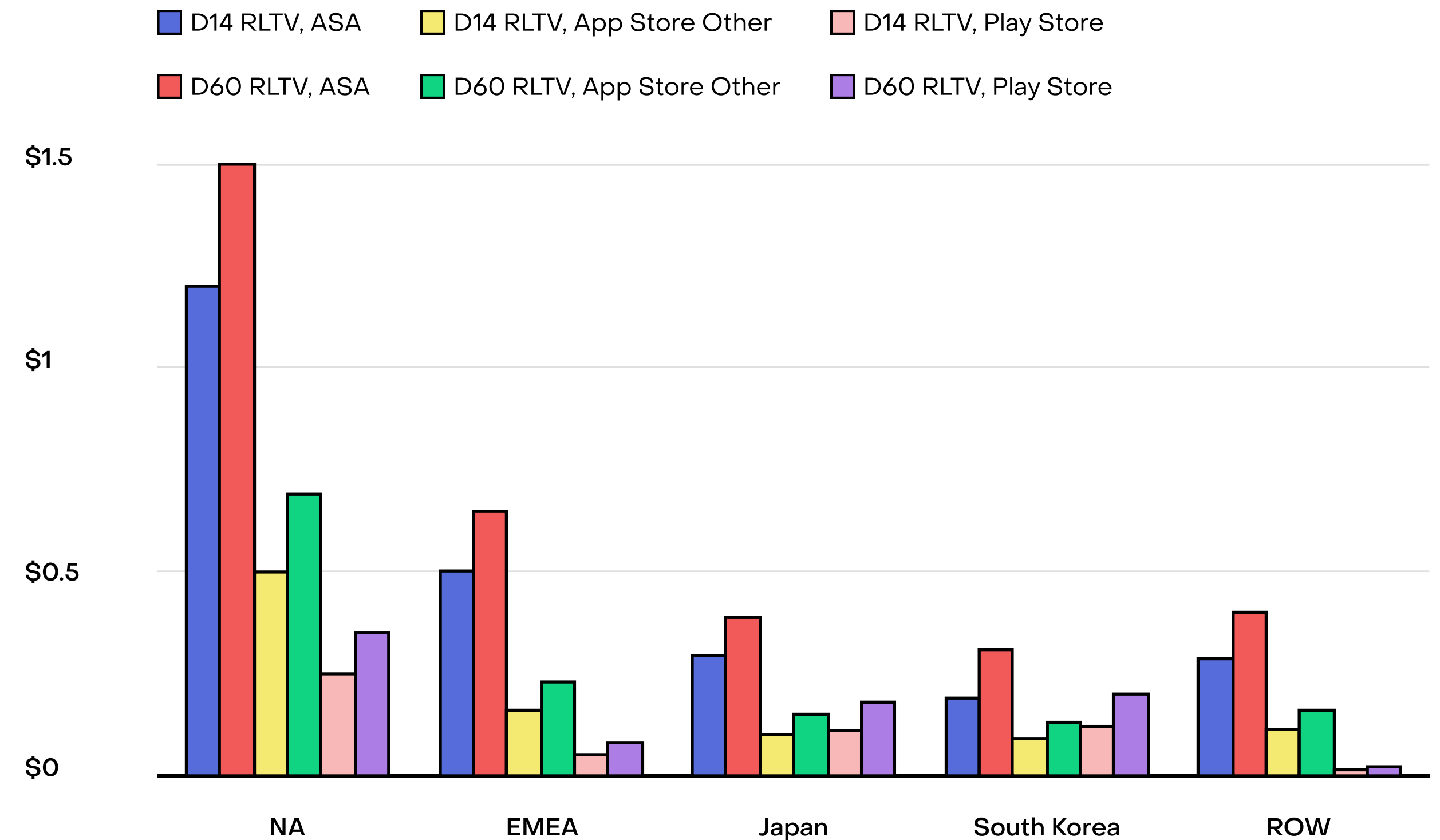


Legend:
- D14 RLTV, ASA
- D60 RLTV, ASA
- D14 RLTV, App Store Other
- D60 RLTV, App Store Other
- D14 RLTV, Play Store
- D60 RLTV, Play Store

Regions: NA, EMEA, Japan, South Korea, ROW

RLTV (Realized Lifetime Value) for 2 weeks and 60 days of earnings after download, broken down by region.

# Health & Fitness wins by a landslide in RLTV, followed by Business

- Health & Fitness apps average $0.56 RLTV at 14 days and $0.72 at 60 days post-download.

- Business stands out as another top-performer. Only Health & Fitness and Business apps exceed an average of **$0.10 in 14-day RLTV per download**.

- In both Health & Fitness and Business, we see above average conversion from download to subscriber, and relatively high average prices.

- The Social & Lifestyle category, dominated by dating apps, shows the largest proportional D14 to D60 RLTV increase, signaling above-average retention for apps in this category.

**14 AND 60 DAY REALIZED LTV, BY STORE CATEGORY**
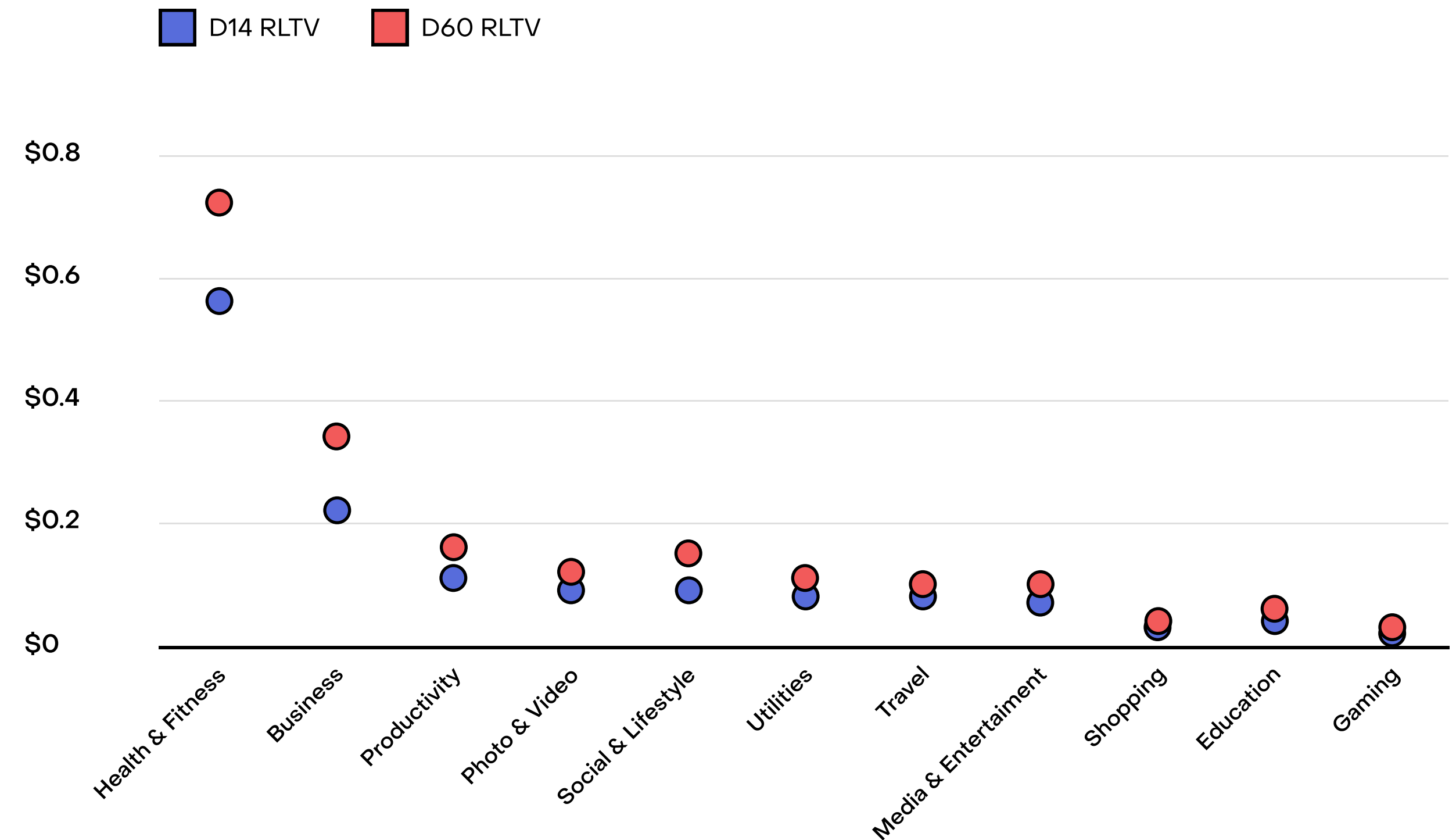


RLTV (Realized Lifetime Value) for 2 weeks and 60 days of earnings after download, broken down by app category.

# "To increase RLTV across all marketing channels, it's worth investing in ASO"

ASA attribution is exempt from the lower-granularity measurement afforded by SKAN. ASA spend has increased across the industry, as more marketers became aware that they can attribute all of their ASA budget with precision. As scale and ad spend increase on any channel, there is invariably a reduction in overall performance — ASA is proving no exception to this rule.

Apple's Search Tab / Today Tab ad placements have provided app developers with new possibilities to scale user acquisition with ASA. These have matured and become more widely adopted over time as ASA budgets increase. Traffic from these placements is lower in intent versus that from highly-targeted keyword search ads, resulting in a reduction in average RLTV while delivering more overall downloads.

To increase RLTV across all marketing channels, it's worth investing in ASO (and particularly CRO on key store page assets) as well as Custom Product Pages (CPPs) to increase the relevance of downloads. Coherence and consistency of messaging and branding across adverts, store pages, and into the app onboarding and paywalls is critical to ensure that prospective subscribers receive a clear value proposition throughout. Once a user decides to subscribe, the app needs to deliver on that value proposition immediately and consistently in order to retain subscribers in the long term.

**Andy Carvell**
CEO & Co-Founder at Phiture
Mobile Growth Consultancy

Phiture

**Listen to Andy on the Sub Club podcast**

# Education and Health & Fitness see above-average refund rates

· Most categories and geographies see roughly the same refund rate, with some notable exceptions:

· **Japan had 3x lower refund rates** than any other region.

· South Korea, on the other hand, has significantly higher refund rates than average.

· There was low variation between most categories — however, Health & Fitness and Education see above average refund rates, while Travel and Shopping perform best.

**REFUND RATE, BY GEOGRAPHY AND CATEGORY**
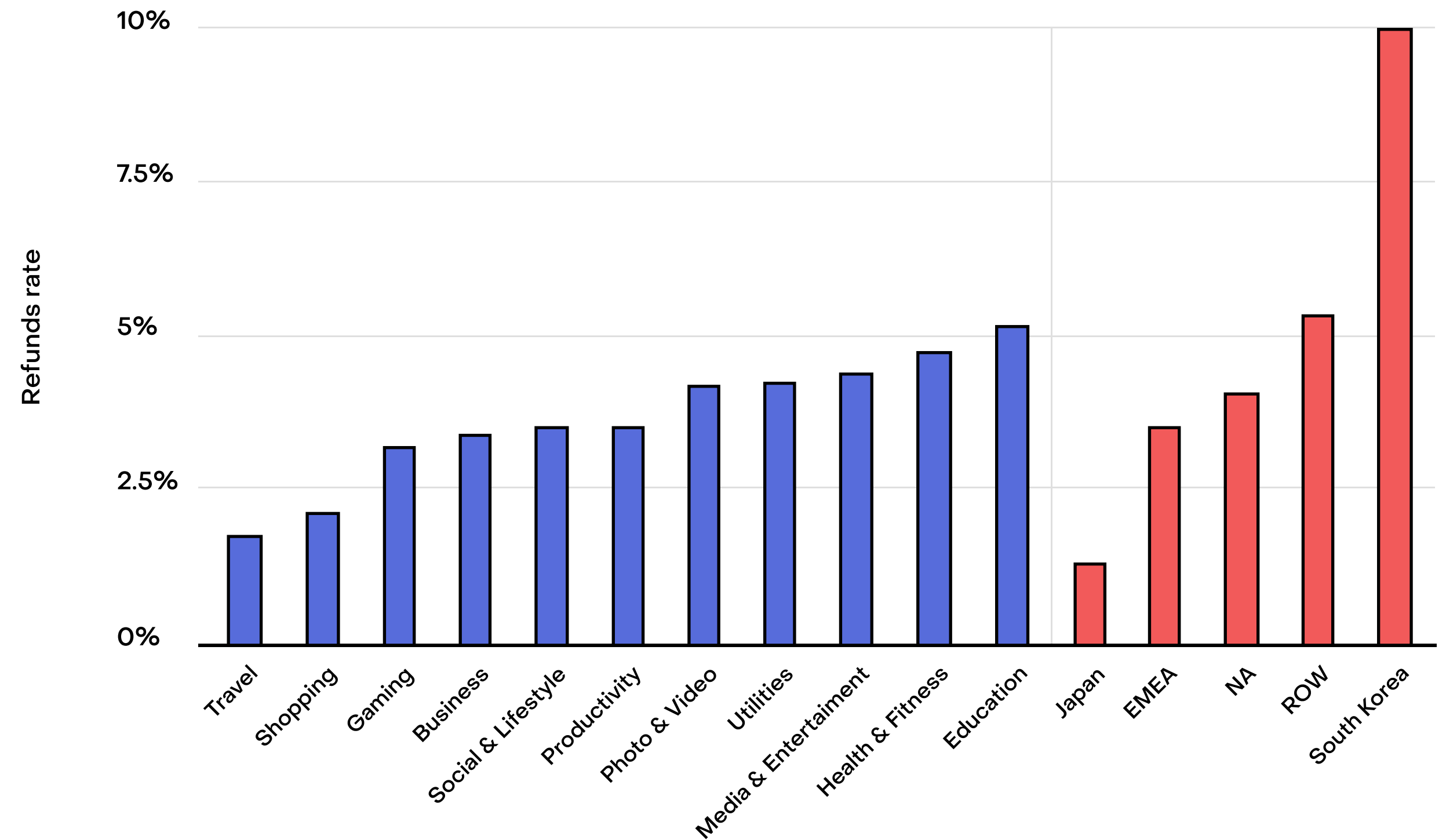


Share of subscriptions that have been refunded during one full 'plan duration'. (App Store only)

# "If you just look at initial conversion you may miss the lag refund"

Many developers forget to factor in important factors like refund rates, grace period conversions, lag conversions, and more when it comes to measuring subscription experiments specifically around pricing or packaging. These experiments may seem on the surface to have obvious winners (e.g. "I increased my annual price and doubled revenue") but requires much stronger diligence before jumping to conclusions…and with the amazing tools.

(that we use too) kicking off experiments has never been easier.

For example, I've seen refund rates for the everlasting "sneaky 7d trial in onboarding to annual" be as high as 4X what a monthly trial conversion may be. If you just look at initial conversion or d8 revenue you may miss the lag refund (negative revenue) that comes in a month later.

**Seth Miller**
CEO @Rapchat

**RC** RAPCHAT

Listen to Seth on the Sub Club podcast

**The Three Subscription App Metrics
That Really Matterand How to Improve Them**
–David Barnard

**The LTV Estimate Gamble**
–Nicolas von Blottnitz and Brendan Wales

"Cash is king, the quickest way to kill your company is not managing your cash flow well. Tracking day X realized LTV is super important.[…]

You can juice day X realized LTV by increasing your price, if you have inelastic pricing, but you really want to keep an eye on churn."

"The most conservative approach here is to only look at realized LTV.
[…] If you only have 9-months of data, then only look at the customer spending of those 9-months. Most consumer businesses have the most LTV per month per customer at the beginning, so add up the cumulative gross margin of those customers to see what the realized LTV is. […]

Every single group of customers is different. A company needs to evaluate each cohort on a Realized Value (or Cumulative Gross Profit) basis each month.

**Growing a Consumer Subscription App**
– Eric Crowley

**How Ladder Cracked TikTok and Grew 500%**
–Greg Stewart

"…relying on LTV and CAC without the right context is problematic. The problem with this metric, and lots of other metrics, is that they are derived from an average. The LTV formula presents several issues for consumer subscription companies for several reasons:

– LTV assumes that all users eventually churn at an average rate.
– It ignores upsells and subscription renewals.
– It doesn't account for the different types of user profiles, downplaying the power of the "local" — a user who is likely to stay loyal to the company for life."

"CAC to LTV at this stage, I think is, fairyland […] because the LTV in a business has been around for two or three years or a business that just started to invest in growth, it's a guess and you can extrapolate, but not a really good system to understand […] your unit economics, at that moment, and so we've anchored the entire team and business to payback period."

**How successful are apps at maintaining their subscriber base over time?**

**What we'll be benchmarking:**

- **Renewal rates**
- **Retention rates**
- **Reasons for subscription expiration**
- **Reactivation rates**

# Retention

# Weekly subscriptions have lost two-thirds of subscribers by month 4

- Weekly subscriptions have relatively poor retention rates. Top performers compare poorly against other subscription lengths, with the upper quartile of renewals seeing just over 40% left after three renewals, versus ~52% for monthly subscriptions.

- **Weekly subscriptions generally aren't a great fit for products expecting long-term retention**, but can work well for a quick return on ad spend or for apps with limited recurring use cases.

- Instead of trying to win back subscribers to a weekly subscription, consider offering monthly and annual plans.

**WEEKLY SUBSCRIPTION RETENTION**
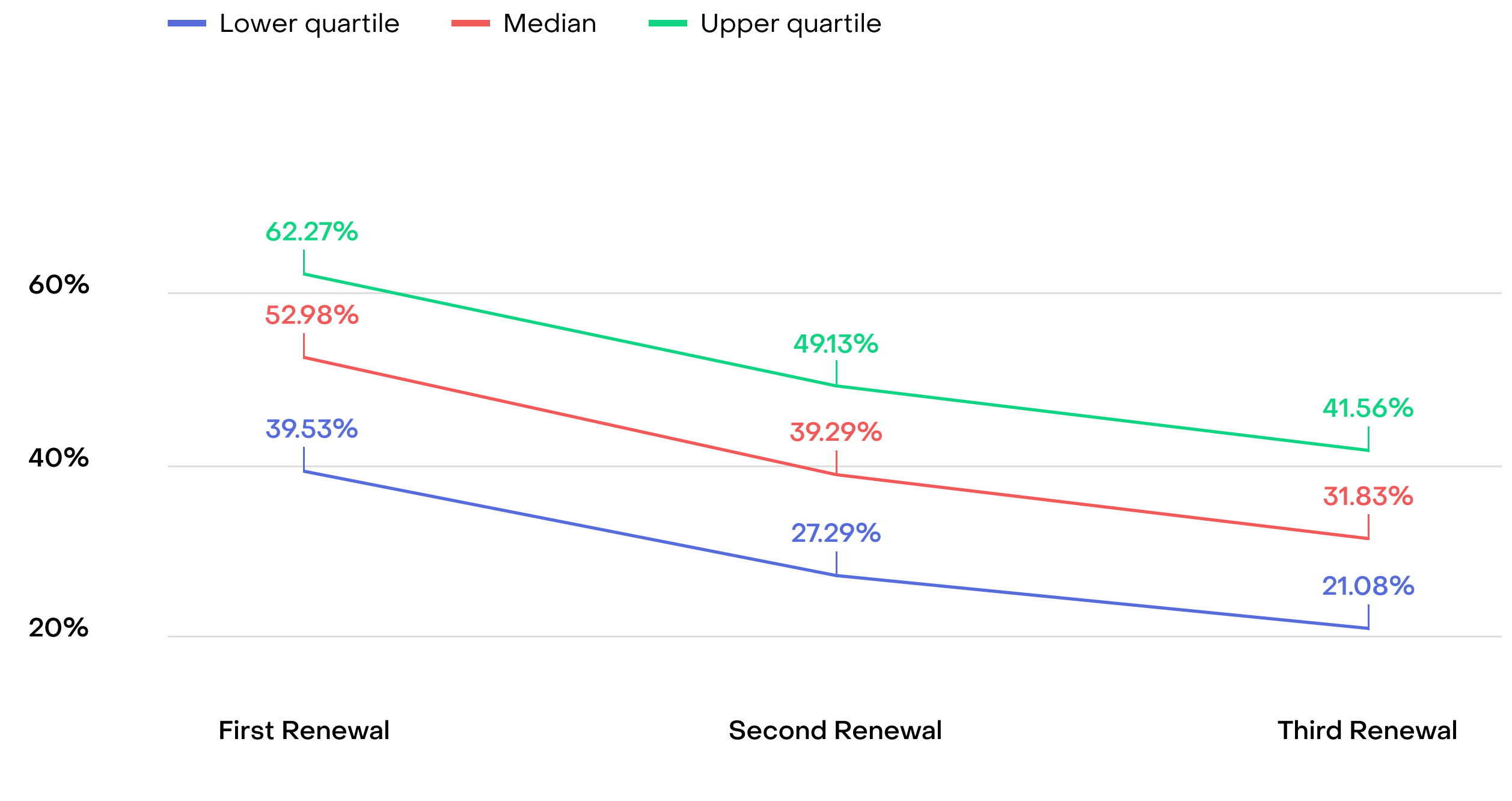


— Lower quartile    — Median    — Upper quartile

| | First Renewal | Second Renewal | Third Renewal |
|---|---|---|---|
| Upper quartile | 62.27% | 49.13% | 41.56% |
| Median | 52.98% | 39.29% | 31.83% |
| Lower quartile | 39.53% | 27.29% | 21.08% |

Subscription retention measures how many paying subscribers from an initial cohort are retained over time.

# Top quartile apps retain almost half of monthly subscribers at 3rd renewal

- Monthly subscriptions have a median first renewal rate over 60%, but **retain just 36% of the initial cohort subscribers by the third renewal**.

- With each subsequent renewal, a customer becomes more and more likely to continue renewing their subscription, causing the drop in retention to flatten out over time.

- At the third renewal, top quartile apps retain twice as many subscribers compared to bottom quartile apps.

- With a higher potential LTV compared to discounted annual plans, highly retentive monthly subscriptions are the default for consumer subscription leaders like Netflix and Spotify.

**MONTHLY SUBSCRIPTION RETENTION**



Legend: Lower quartile — Median — Upper quartile

Upper quartile: 71.29%, 57.66%, 48.88%
Median: 60.65%, 45.01%, 35.70%
Lower quartile: 49.37%, 33.16%, 24.29%

First Renewal — Second Renewal — Third Renewal

Subscription retention measures how many paying subscribers from an initial cohort are retained over time.

# Upper quartile apps retain 4.5x more customers after the second renewal

- **Annual subscriptions have the lowest initial renewal rates**, but collecting a year's worth of subscription revenue up-front will often make up for that.

- At the first renewal, top quartile apps retain twice as many subscribers as bottom quartile apps. By the time of the second renewal, that gap widens to 4.5x the number of retained subscribers.

- While actual retention can't be determined until the renewal happens 12 months later, it's important to keep an eye on cohorted auto-renew status and engagement to get a sense for how retention is tracking throughout the year.

**ANNUAL SUBSCRIPTION RETENTION**



— Lower quartile    — Median    — Upper quartile

51.19%

35.33%
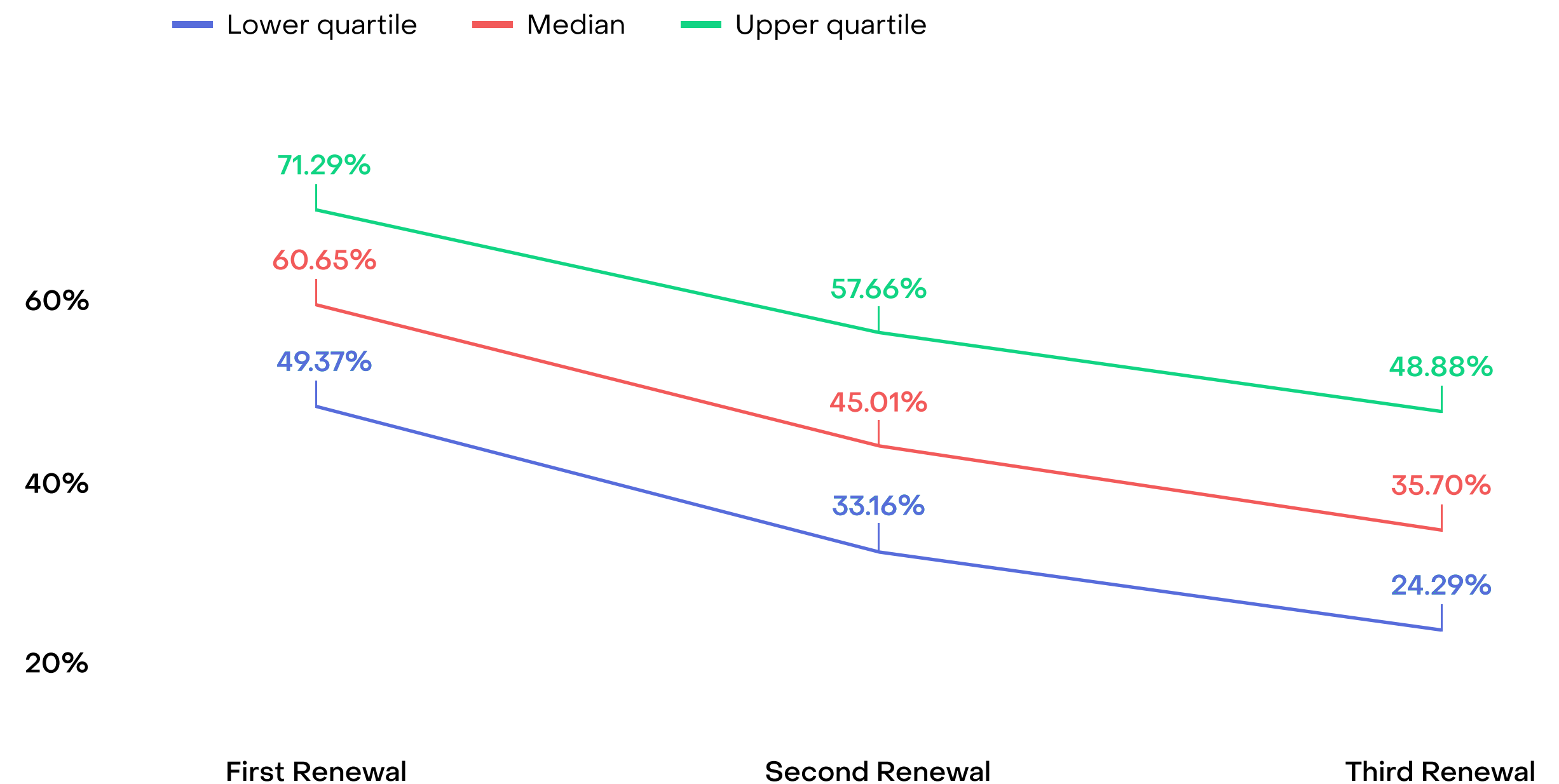
23.48%

40%

30.61%

20%

15.36%

6.71%

First Renewal

Second Renewal

Subscription retention measures how many paying subscribers from an initial cohort are retained over time.

# Upper quartile apps in the Business category see a 74% first renewal rate

- The Social & Lifestyle category has the lowest median first renewal rate at just 49%.

- The Shopping category is an outlier with a median first renewal rate of 69% and a lower quartile first renewal rate of 52%.

- **Retaining customers is all about delivering value in excess of the cost of the subscription**, so it's not surprising that the Business and Shopping categories have the highest median first renewal rates.

- Even in the lowest performing category (Social & Lifestyle), the upper quartile has a first renewal rate over 63% — demonstrating that great apps in every category can perform well.

## FIRST RENEWAL RATE BY CATEGORY
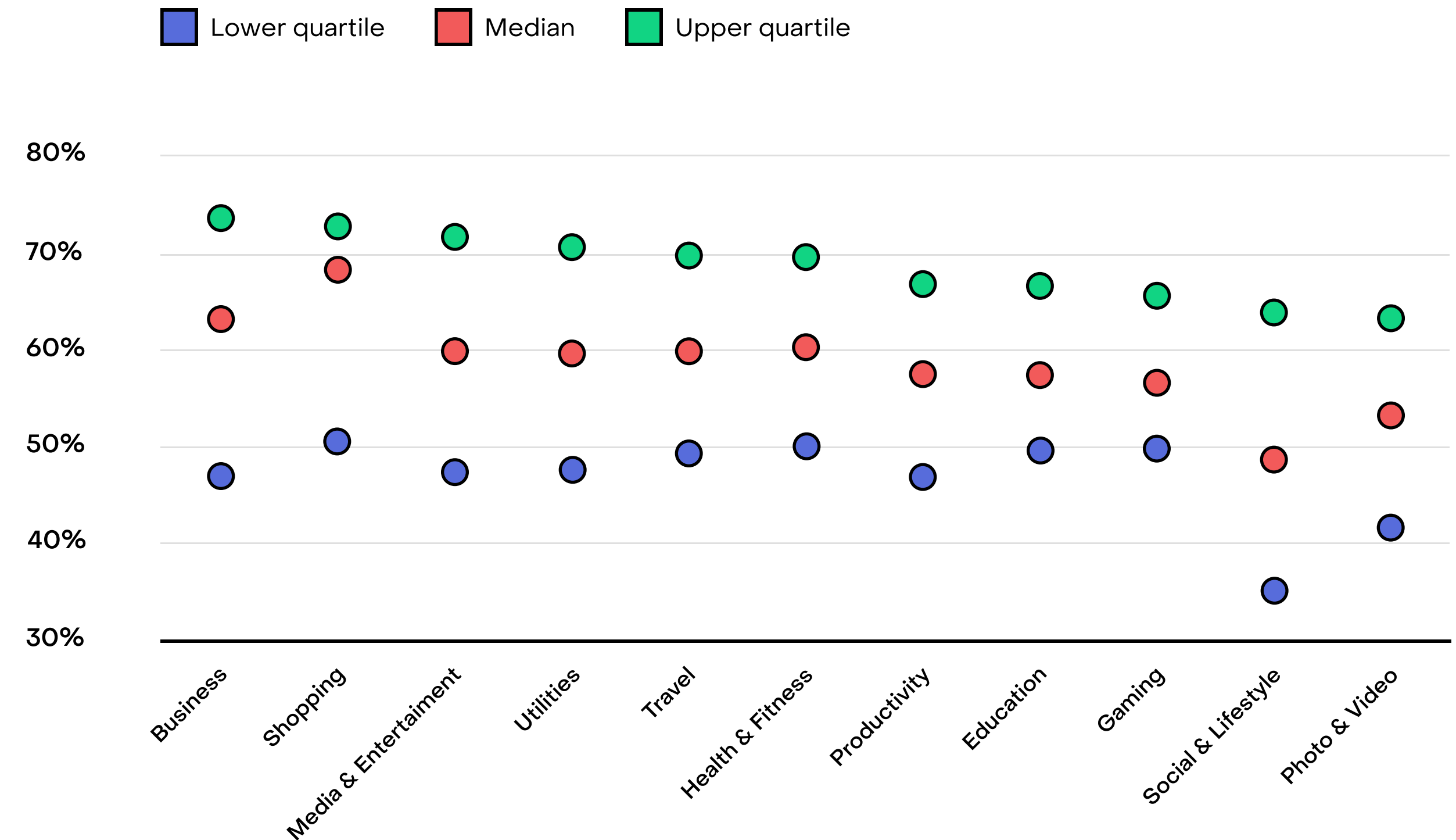


Renewal rate is the percentage of customers who choose to renew their subscription at the end of the subscription period.

# Japan leads the world in first renewal rate

- With **a median first renewal rate of 62%**, Japanese app users retain at meaningfully higher rates than any other region in the world.

- Rest of World performs worst on renewal rates, likely due to the number of developing nations included in this category.

- With a median first renewal rate of 58%, North America trails just behind Japan, but in the upper quartile, Japan is even further ahead.

- Segmenting your retention rate by geography can help uncover highly retentive countries that might warrant additional attention on localization, user acquisition, and country–specific use cases.

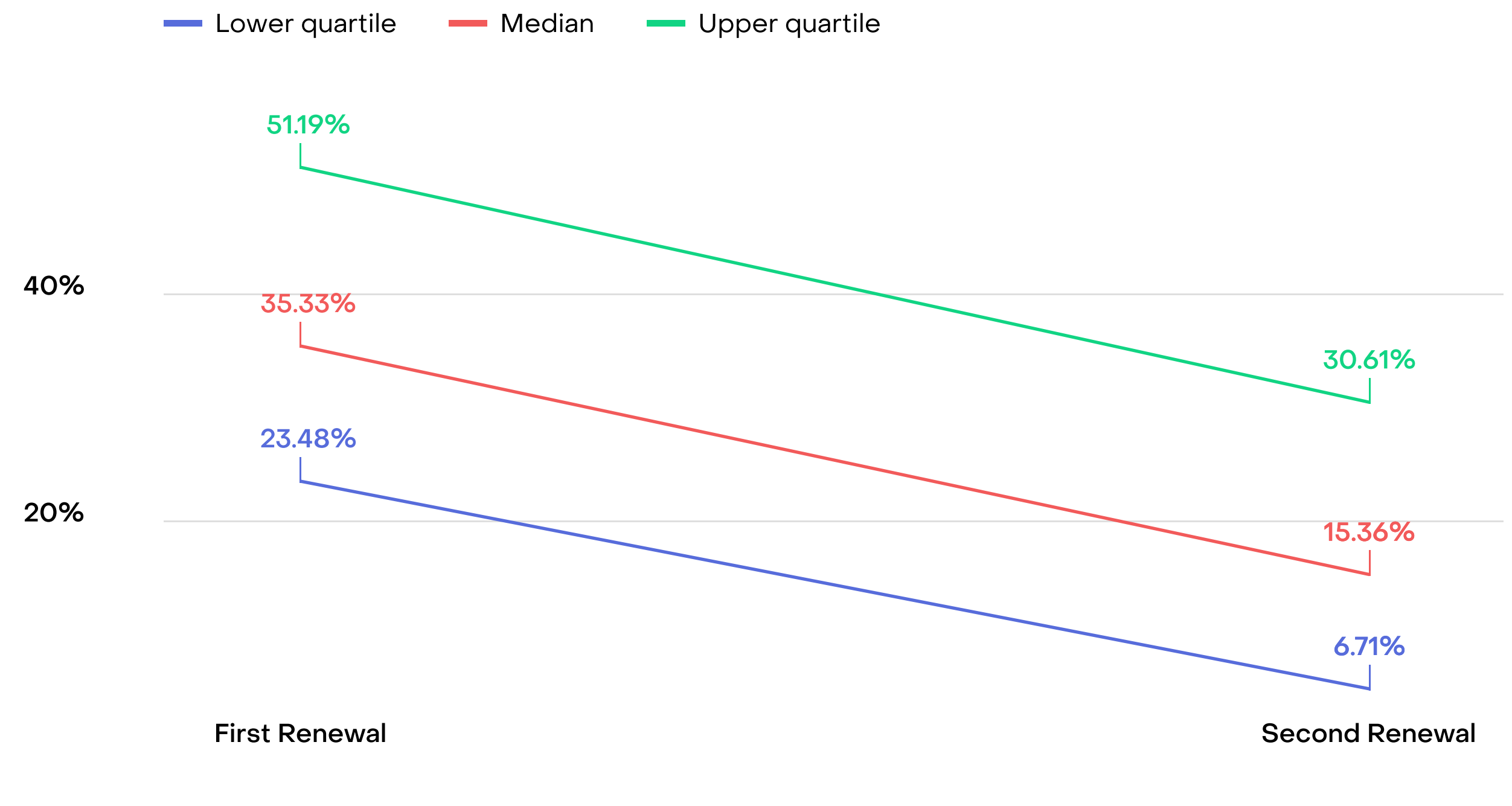**FIRST RENEWAL RATE BY GEOGRAPHY**
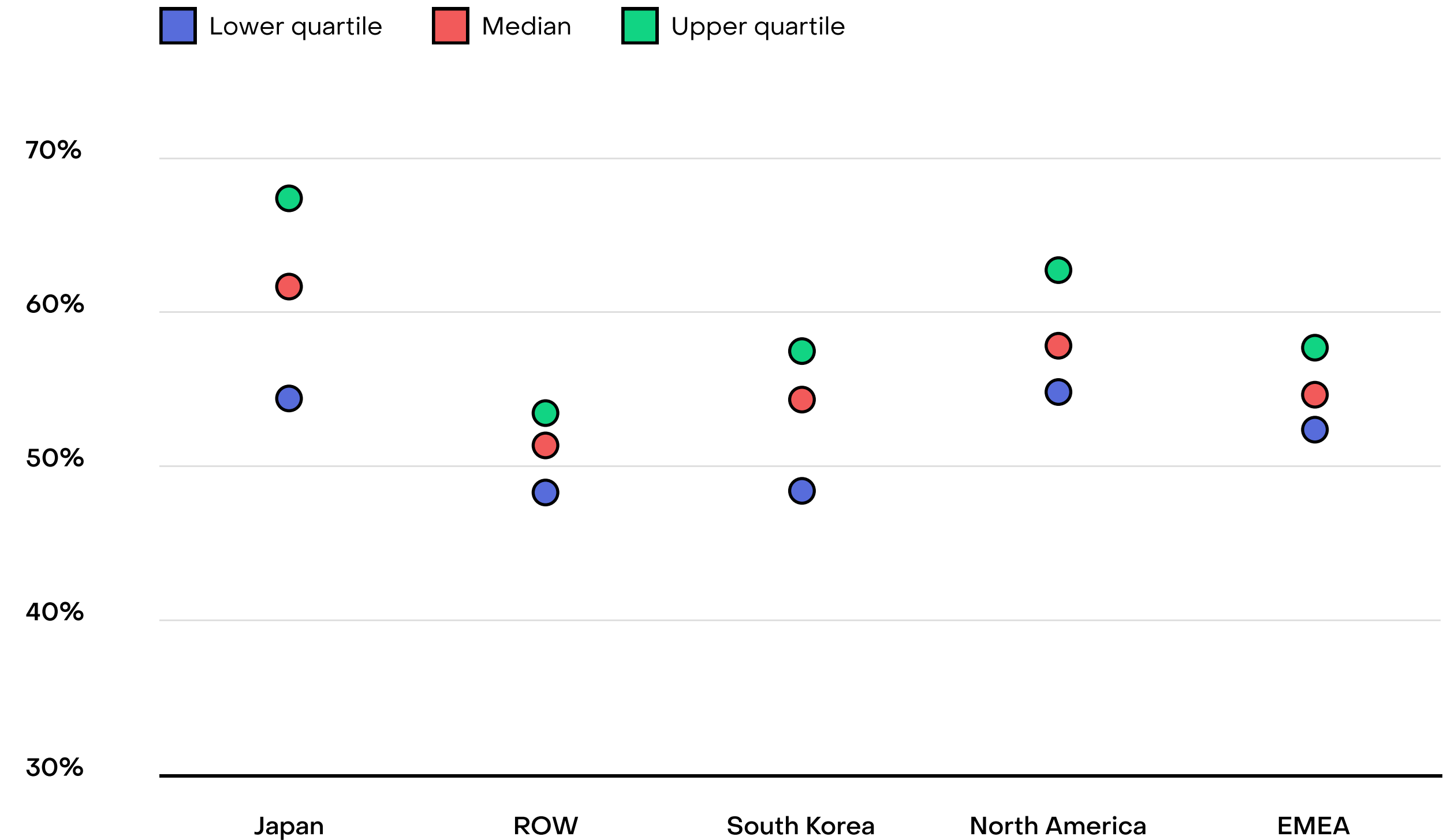
■ Lower quartile    ■ Median    ■ Upper quartile



Subscription retention measures how many paying subscribers from an initial cohort are retained over time.

# First renewal rates dropped in 2023, across all subscription durations

· Annual subscriptions saw the biggest year-over-year drop in first renewal rates, with a drop of 13% for the median app. From 40.4% in 2022 to 35.3% in 2023.

· **Monthly subscriptions** performed best, with "only" **a 3% drop in median first renewal rates**.

· These data may reflect tightening purse strings for subscription app consumers, subscription app fatigue, the app industry's push toward annual subscriptions, and/or a trend toward displaying paywalls sooner and more frequently — which leads to lower-intent users.

**FIRST RENEWAL 2023 VS 2022**
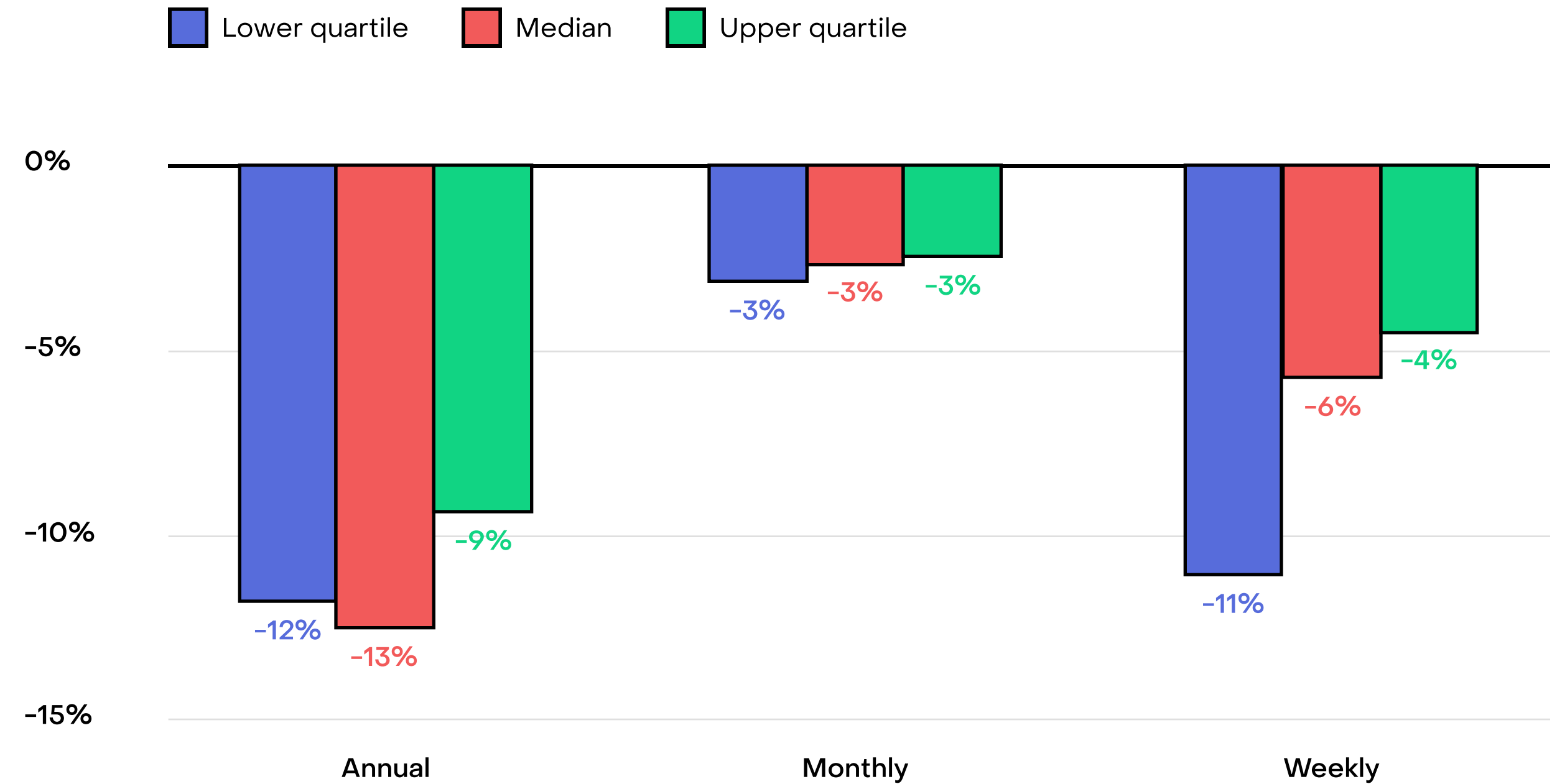


Percentage drop in renewal rates from 2022 to 2023. Renewal rate is the percentage of customers who choose to renew their subscription at the end of the subscription period.

# "Not all churn is equal"

The beauty of CSS apps is that consumers can quickly find and subscribe to services. The challenge is that they can unsubscribe just as easily!

2023 was a challenging year for developers as consumers churned off subscriptions that they did not utilize. However, not all churn is equal. We frequently reference a concept called "Tourists vs. Locals" when working with our CSS clients.

When apps are in heavy growth mode by offering promotions or discounts, they frequently attract users who may not need the subscription. We call those users the "tourists". Tourists like to try a lot of services, but cancel frequently.

Instead, we encourage entrepreneurs to focus on their "Locals". These are the core users who love the service, engage with it frequently, and share it with their friends and family. Most importantly, they do not need to be swayed by discounts or promotions – they are willing to pay full price.

To find your locals – look for the users who stay past 6 months on monthly subscriptions or after the first annual renewal. Measure the churn of those users carefully to ensure your retention flattens – i.e M6 or Year 2 retention rates for each cohort. When speaking with investors ensure that you are showing them the stickiness of your product with your locals using those retention rates – not just the overall average retention rate of the entire user base.

**Eric Crowley**
Partner @ GP Bullhound
Head of Consumer Subscription
Software ("CSS") practice

**GP. Bullhound**

# Year 1 retention rates dropped meaningfully in 2023

- **Monthly subscriptions saw the largest drop in Year 1 retention** — a surprising 13.7%. The use of monthly subscriptions slightly increased, from 35.8% of all subscriptions in 2022 to 36.7% in 2023.

- Year 1 retention of annual subscriptions dropped the least, at just 8.0%. The use of annual subscriptions decreased slightly, going from 42.4% of all subscriptions in 2022 to 41.4% in 2023.

- With new subscription apps launching every day and RevenueCat tracking even more of the market in 2023, the drop in Year 1 retention shouldn't be interpreted solely as a reflection of consumer sentiment and tighter consumer budgets, though that likely contributed.

**AVERAGE YEAR ONE RETENTION 2022 VS 2023**



Legend: 2022, 2023, Relative Difference

| | Weekly | Monthly | Annual | All plan durations |
|---|---|---|---|---|
| 2022 | 3.87% | 13.99% | 30.52% | 18.78% |
| 2023 | 3.52% | 12.08% | 28.06% | 16.81% |
| Relative Difference | −9.04% | −13.65% | −8.06% | −10.49% |
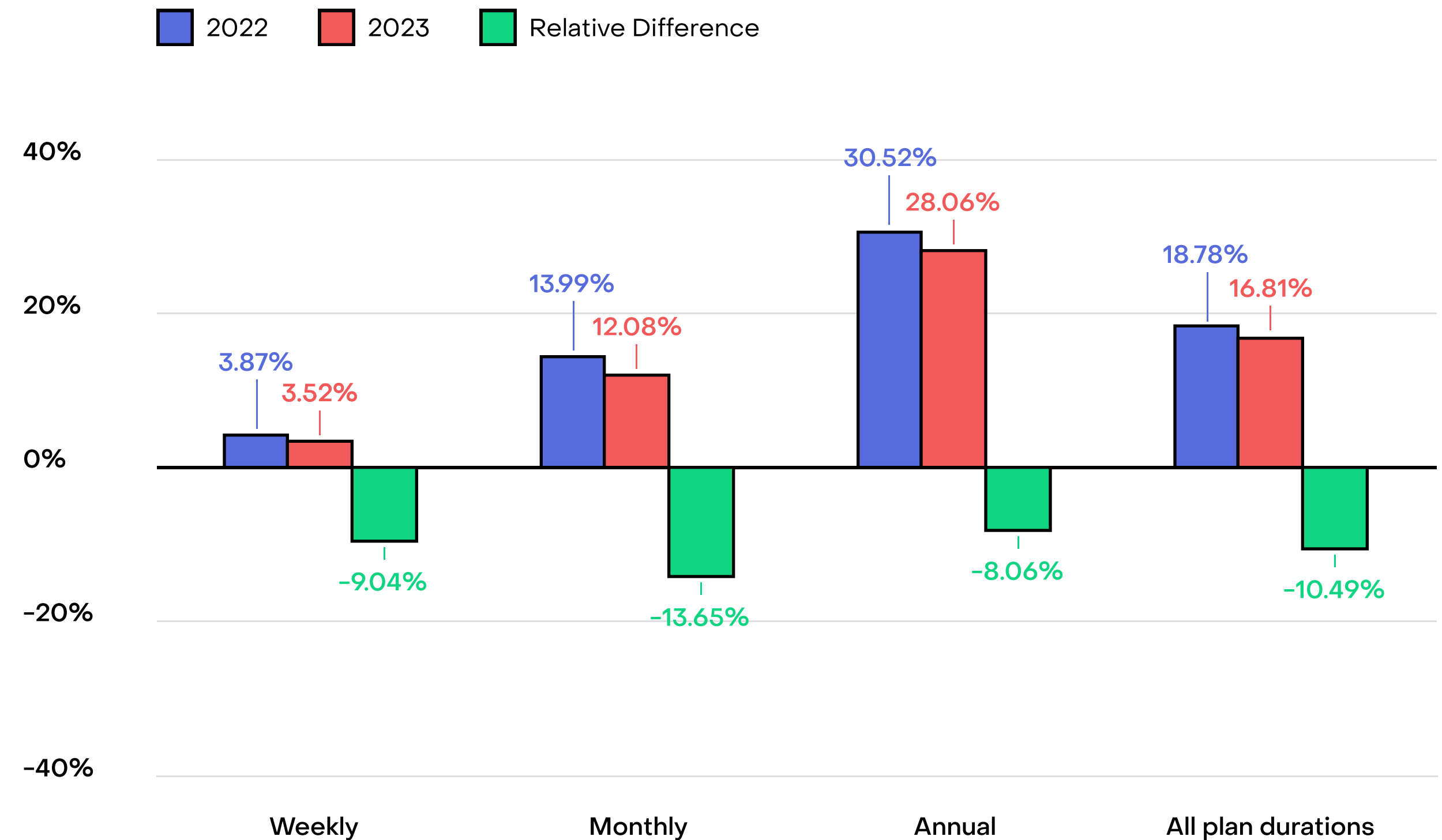
Average percentage drop in Year 1 retention from 2022 to 2023. Year 1 retention measures how many paying subscribers from an initial cohort are retained into the second year.

# Travel apps have the highest Year 1 retention for annual subscriptions

· Travel apps have the highest Year 1 retention for weekly and annual subscriptions, but show slightly below average performance for monthly subscriptions.

· Across the board, **weekly subscriptions retain low single digits of subscribers at Year 1**, with the exception of the Travel category (at 11%).

· Shopping apps have the highest Year 1 retention for monthly subscriptions at 24%. That's 4x the 6% Year 1 retention rate of the Social & Lifestyle category.

· While these numbers show average retention, each category has outlier apps that perform significantly better than the rest — demonstrating that great apps in every category can excel at retention.

**YEAR ONE RETENTION BY CATEGORY**
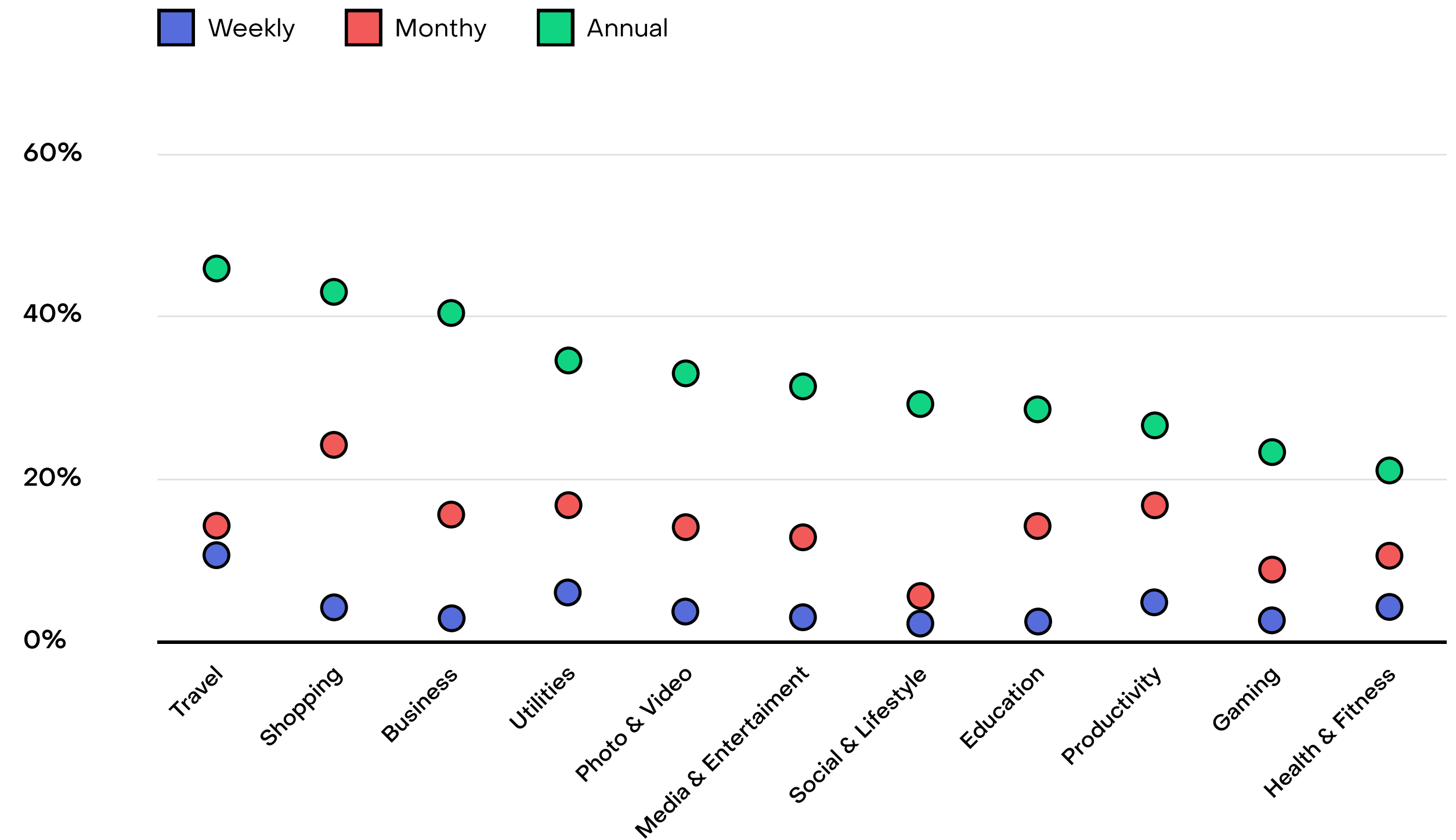


■ Weekly   ■ Monthy   ■ Annual

Year 1 retention measures how many paying subscribers from an initial cohort are retained into the second year. This represents the combined average retention after the first renewal for annual subscriptions, 12th renewal for monthly subscriptions, and 52nd renewal for weekly subscriptions.

# Japan leads the world in Year 1 retention across all subscription durations

· With a whopping 42% for annual, 26% for monthly, and 10% for weekly subscriptions, **Japan leads the world in Year 1 retention**.

· Consisting of many developing nations, Rest of World has the lowest Year 1 retention rates: 28% for annual, 10% for monthly, and 2% for weekly.

· While North America accounts for the majority of revenue for subscription apps, retention is middling at 27% for annual, 15% for monthly, and 4% for weekly.

· Marketing your app to Japanese consumers won't guarantee higher retention rates compared to other geographies. It is, however, the third largest mobile market measured in in–app spend, so might be worth looking into.

**YEAR ONE RETENTION BY GEO**
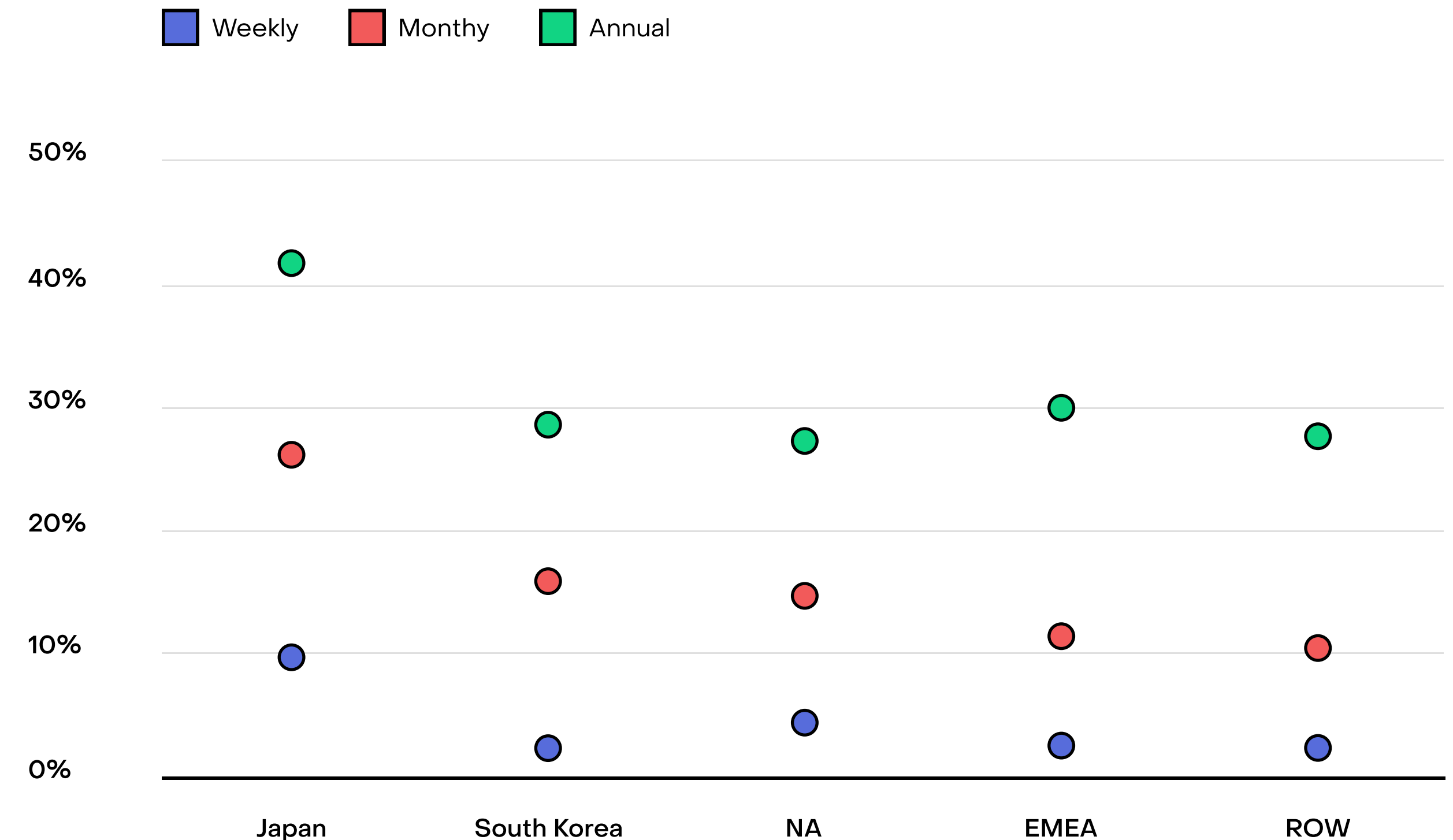


Legend: ■ Weekly  ■ Monthy  ■ Annual

Year 1 retention measures how many paying subscribers from an initial cohort are retained into the second year. This represents the combined average retention after the first renewal for annual subscriptions, 12th renewal for monthly subscriptions, and 52nd renewal for weekly subscriptions.

# "Consumer subscription apps are hard"

Many VCs aim for 50%+ Year 1 retention, yet RevenueCat's data shows that the average is not just below 30% but is actually getting worse in 2023. Top decile apps can beat this average, but even established apps like Duolingo (with a 40% Year 1 retention rate) can't retain half of their yearly subscribers.

Monthly and weekly plans show the lowest retention rates, at 11.4% and 3.4%, respectively. That means 90-95% of paying subscribers will churn before the one-year mark.

Even a leading app like Duolingo scores below 2-digits on this metric, at 9%. Shorter plans usually have higher price points, and do get intermediary renewals, but they still illustrate how brutal a challenge it is to retain consumers in the subscription app space. This explains why many apps tend to favor offering yearly plans, through price paywall design incentives, which can help with cash flow.

**Thomas Petit**
Independent app
growth consultant

**Listen to Thomas on the Sub Club podcast**

# Billing errors account for over 23% of churn on the App Store

- **Involuntary churn** is a big deal for all subscription businesses, and despite Apple's work to reduce involuntary churn, it still accounts for over **23% of churn on the App Store**.

- While the "price increase" reason is low in aggregate, we did not look a churn from price increases independently. Across all subscription expirations, it accounts for just 0.1%, but that will be meaningfully higher for individual apps that raised prices.

- These numbers do not include Play Store subscriptions. We hope to publish those numbers in a future blog post and/or report.

**APP STORE SUBSCRIPTION EXPIRATION REASONS**



- Price Increase **0.1%**
- Unsuscribe **69%**
- Unknown **7.8%**
- Billing Error **23.2%**
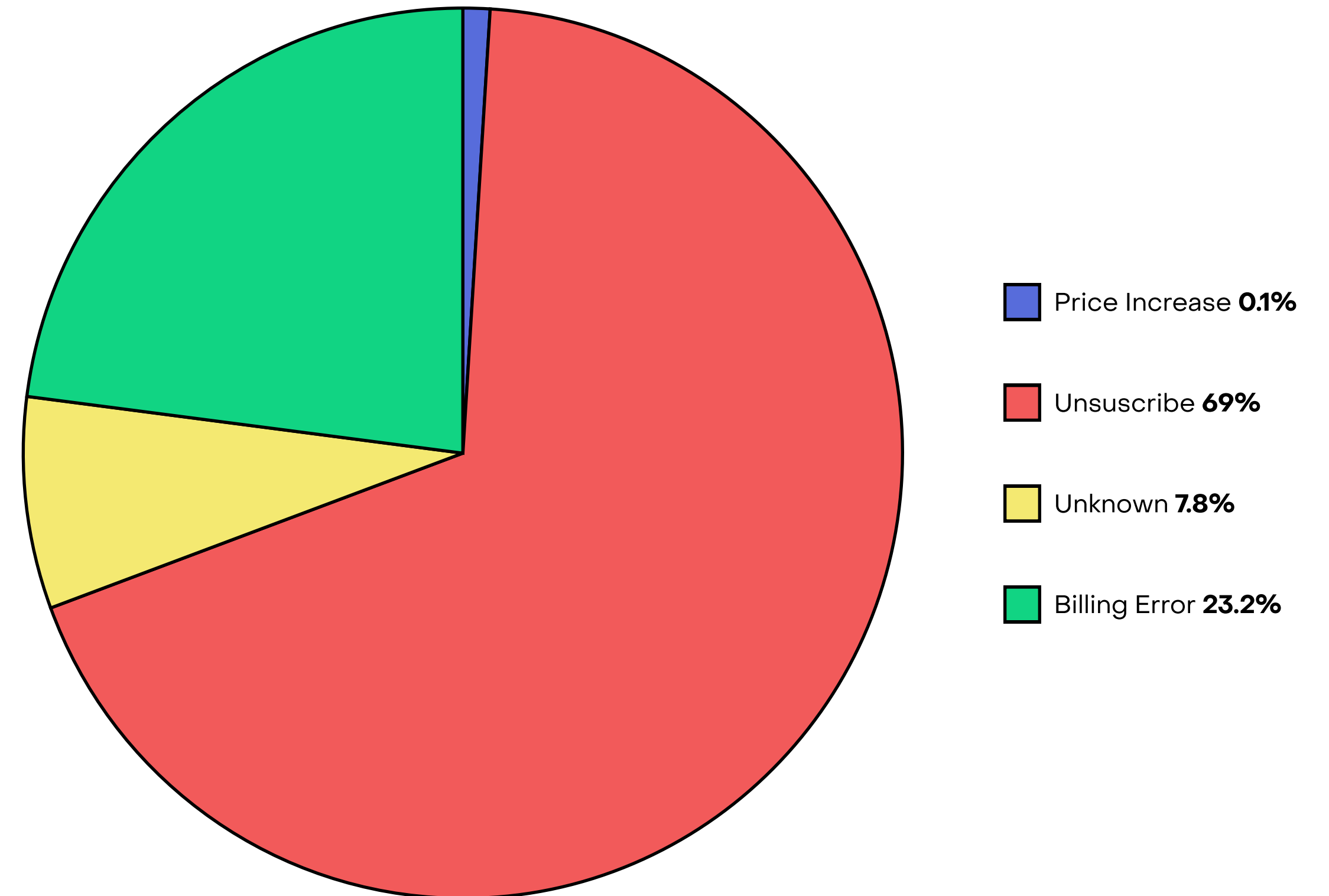
Distribution of reasons for subscription expirations during the past year.

# Monthly subscriptions have the highest reactivation rate

· With user acquisition costs going up and Year 1 retention dropping, it's good to see that reactivation is an option.

· The lower reactivation rate for annual subscriptions might be a consequence of churners making a very well informed decision, as they've spent a lot of time with the product.

· Improving reactivation rates is similar to preventing churn in the first place: Segment users to understand why they disengaged, **offer discounts for re-subscribing**, remind churned users what they're missing, and make sure they understand the full value of the subscription.

**TWELVE MONTH REACTIVATION RATE BY PLAN DURATION**



| | |
|---|---|
| P1W | 9.29% |
| P1M | 11.95% |
| P1Y | 5.89% |
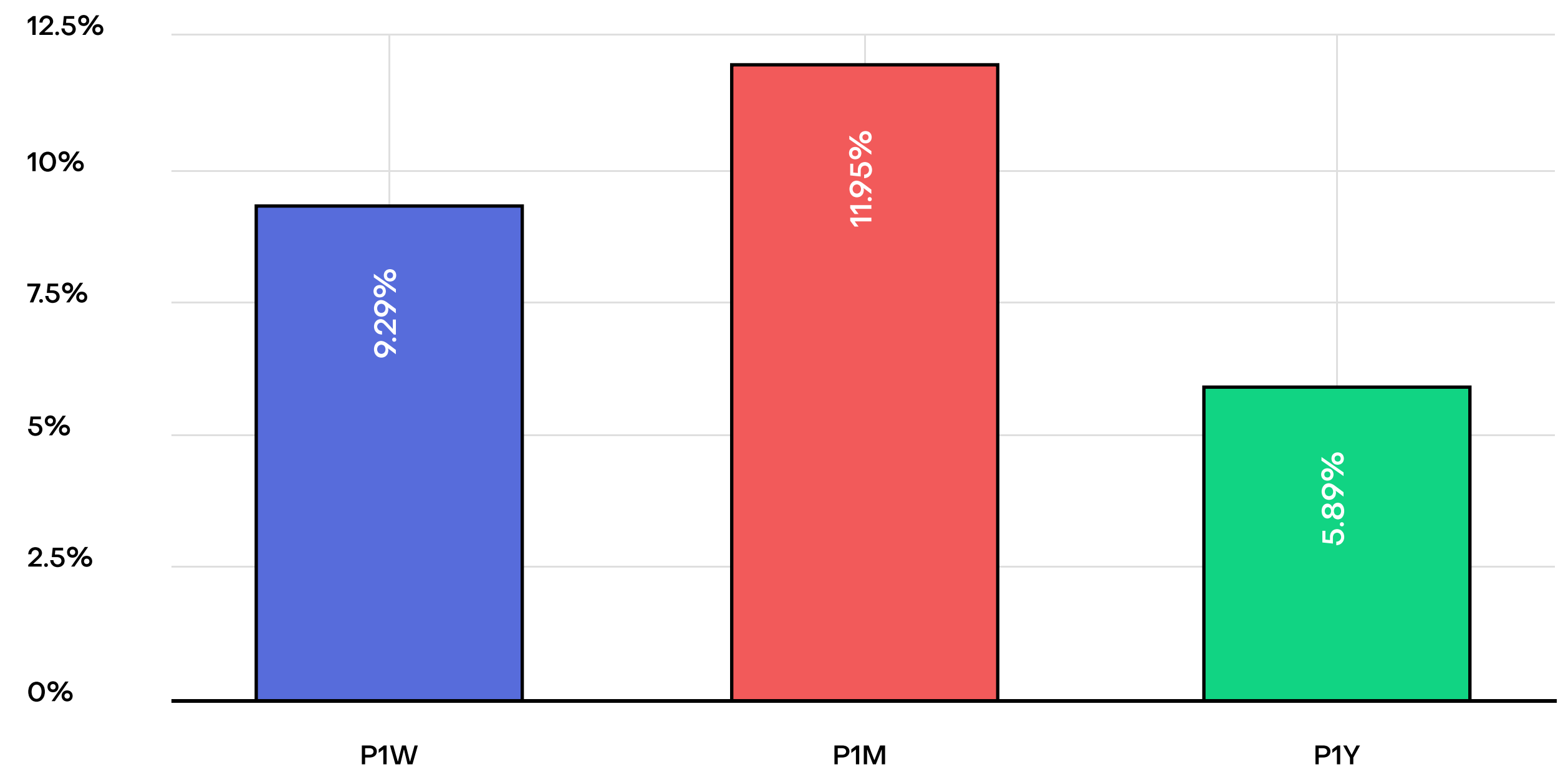
Reactivation is defined as any paid subscription that was expired for at least 30 days, then had a new transaction (of any plan duration) within 365 days.

# "Best practices to minimize involuntary churn"

Consumer subscription businesses can follow several best practices to minimize involuntary churn caused by billing errors. These include sending automated emails and/or push notifications to remind subscribers when their subscriptions are about to renew, periodically checking in to confirm subscriber payment info, and supporting Alternative Payment Methods (APMs), particularly in international markets where many users either don't have access to credit cards or prefer to not to use them to pay for digital subscriptions.

**Phil Carter**
Growth Advisor
@ Elemental Growth

$\Sigma$

**Listen to Phil on the Sub Club Podcast**

# Keep customers around longer with RevenueCat

Powered by accurate data and scalable technology, you'll benefit from:

- Customer management and support resolution dashboards

- Winback campaigns triggered reliably through plug–and–play integrations

- Early detection and resolution of customer billing issues

- Uninterrupted access for your subscribers, even during platform issues

And more!

**LEARN MORE**
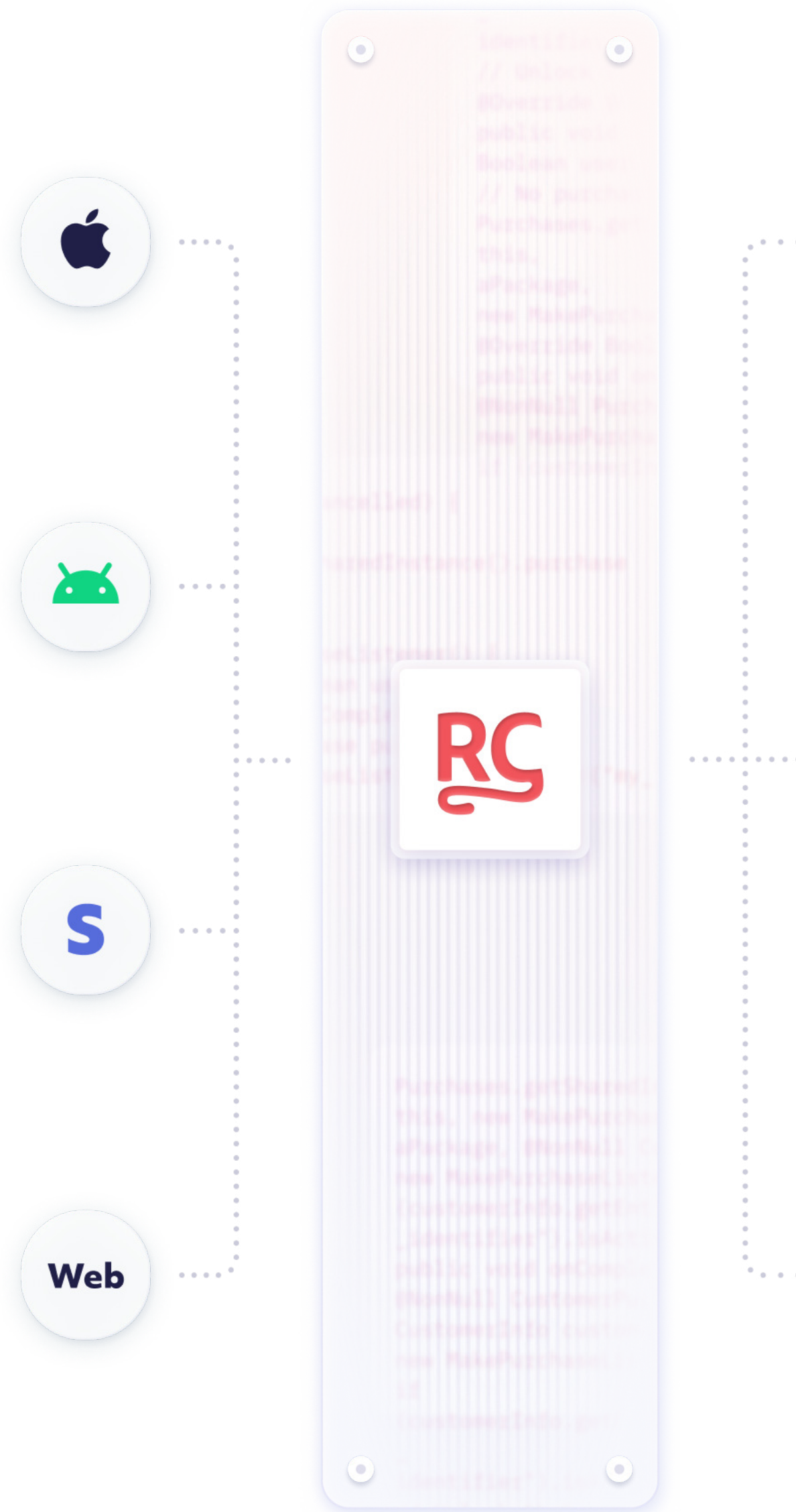
## Customer management

Debug issues and grant exceptions with a customer-level view of cross-platform usage.

**Promotionals**

Grant Entitlement

Entitlement | Duration | Grant

**Customer profile**

Peter Thompson
peter.thom@email.com

App ID:
af1324sfs05wr16d13hgt452

Total spent:
$43.00

Customer His

Last op
in the l

Purcha
2023

Rene

## No-code integrations

Our no-code integrations connect real-time events events and revenue data to the tools your teams need.

Marketing

Attribution

Analytics

Customer support

## Dashboard & Analytics

Keep a pulse on performance with a dashboard summary and deep-dive reporting on 15+ success-driving KPIs.

**Realized LTV per Customer**

$100
$80
$60
$40
$20
0

| Customer | Product | Revenue |
|----------|---------|---------|
| User 3360 | Premium | $340 |
| User 3359 | Premium | $340 |

# Weekly subscriptions see mixed performance, in terms of active renewals

· In every category, annual renewals by inactive subscribers are rare, leading to an average active renewal rate across categories of 96%+.

· Even though sometimes looked at as 'set and forget' subscriptions, several categories see **high rates of active renewals for weekly subscriptions**, including Shopping and Social & Lifestyle.

· Monthly subscription performance varies less than weekly, but still sees a 1.7x difference in active renewal rate between Shopping (77.1%) and Gaming (44.6%).

**ACTIVE RENEWALS AS SHARE OF ALL RENEWALS, BY SUBSCRIPTION LENGTH**
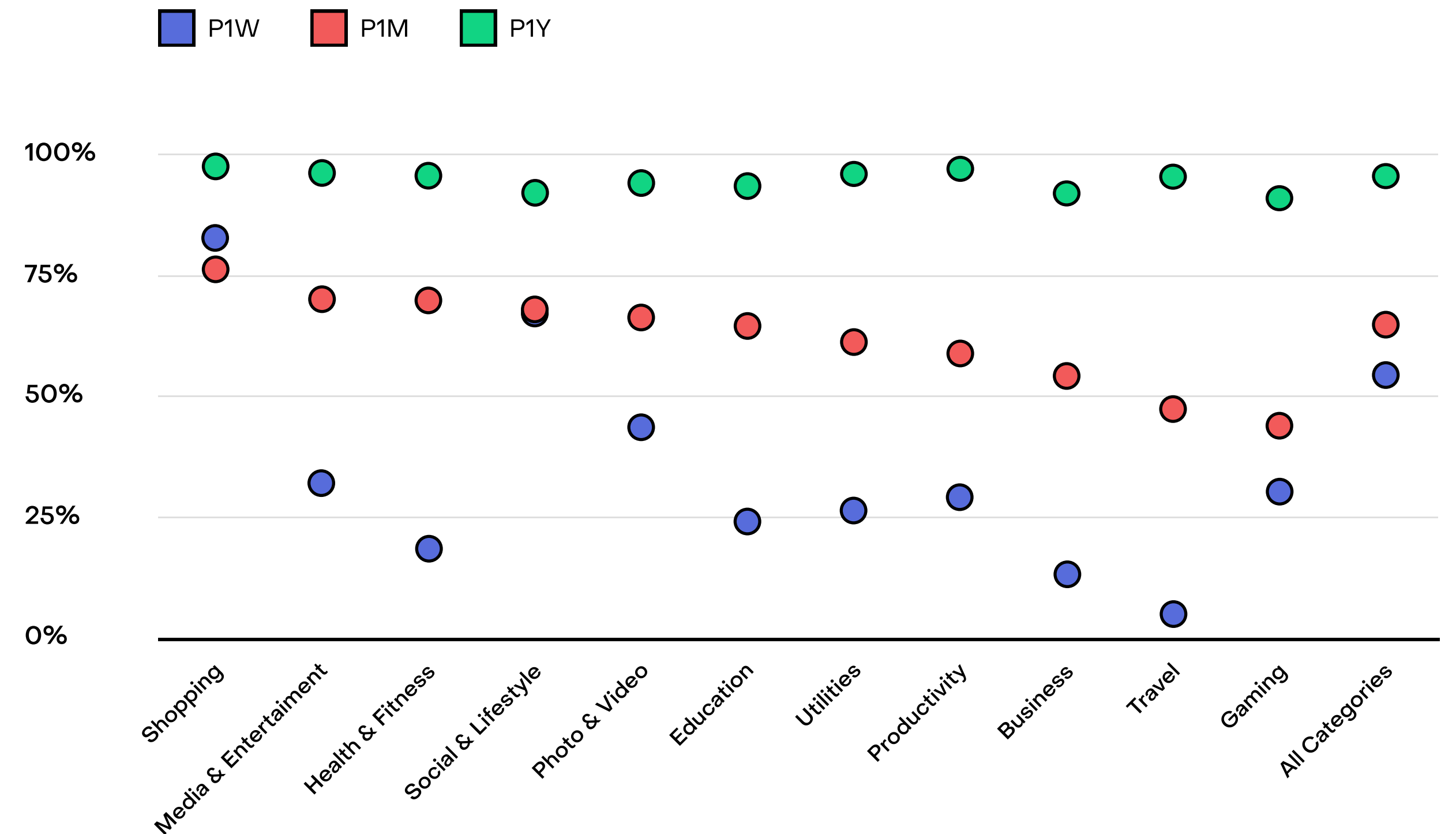


Active renewals are renewals done by users that were seen in-app in the last 50% of the previous subscription period, so – for example – users that were seen in the last 182.5 days before an annual renewal.

## How to Boost Retention with Subscription Lifecycle Messaging
–Alice Muir
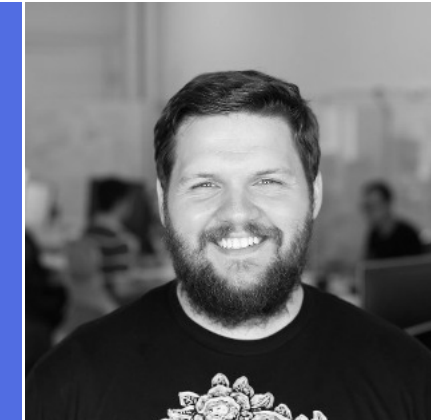


## Retention: tactical retention zone, expansion revenue and win-backs
–Patrick Campbell

"In my experience, the low-hanging fruit is the strategy and strategic lifecycle targeting, because you would be surprised at how many apps … have absolutely nothing in place for people that have started a trial or are already subscribers. […] if you spend all this time converting people to a subscription, you need to make sure that you're also engaging with the people who have subscribed. And that could look like having another onboarding for premium users."

"We have a misconception when it comes to retention: we think it's only solved through providing value to the customer. This is incomplete: if you think about the value only, you're spending all your efforts on the end parts of the value spectrum (Strategic Retention) and forgetting what's in between (Tactical Retention Zone)."



## The Basics of Fighting Churn
– Dan Layfield



## How to define a metric to prove or disprove your hypotheses and measure progress
–Gibson Biddle

"Every recurring revenue business alive is trying to reduce its churn.

The best advice overall is that churn has to be fought as early as possible in the user's lifecycle. The better that you are at getting users to adopt your product and see the value quickly, the lower your churn will be."

"Using retention as a metric for all projects isn't feasible, however. It's a hard metric to move, and proving a retention improvement requires large-scale A/B tests. Lower-level metrics — proxy metrics — are easier and faster to move than high-level engagement metrics. Ideally, moving a proxy will improve the high-level metric (e.g., retention for Netflix), demonstrating a correlation between the two. Later, you can prove causation via an A/B test."

**How quickly do apps grow their revenue?**

**What we'll be benchmarking:**

- **Revenue hit rates**

# Growth rate

# Reaching $1k in monthly revenue is hard — but growth from there is easier

· On average, **only ~17% of apps reach $1k monthly revenue**, but of those that do, **59% of them reach $2.5k**, and then **60% of those reach $5k**.

· Photo & Video and Health & Fitness apps both see an above average share hit the $1,000 and $2,500 monthly revenue milestones, but they don't seem to produce a larger share of breakout ($25k+) successes.

· Social & Lifestyle is more likely to produce a $25k+ apps than any other category, at 2.3% compared to the average of 1.5% across all categories.

**REVENUE HIT RATE - BY CATEGORY**



Legend: $1k MTR, $2.5k MTR, $5k MTR, $10k MTR, $25k MTR

Categories: Photo & Video (23.44%), Utilities (15.33%), Travel (15.12%), Education (14.59%), Media & Entertainment (13.84%), Business (13.68%), All Categories (17.24%)
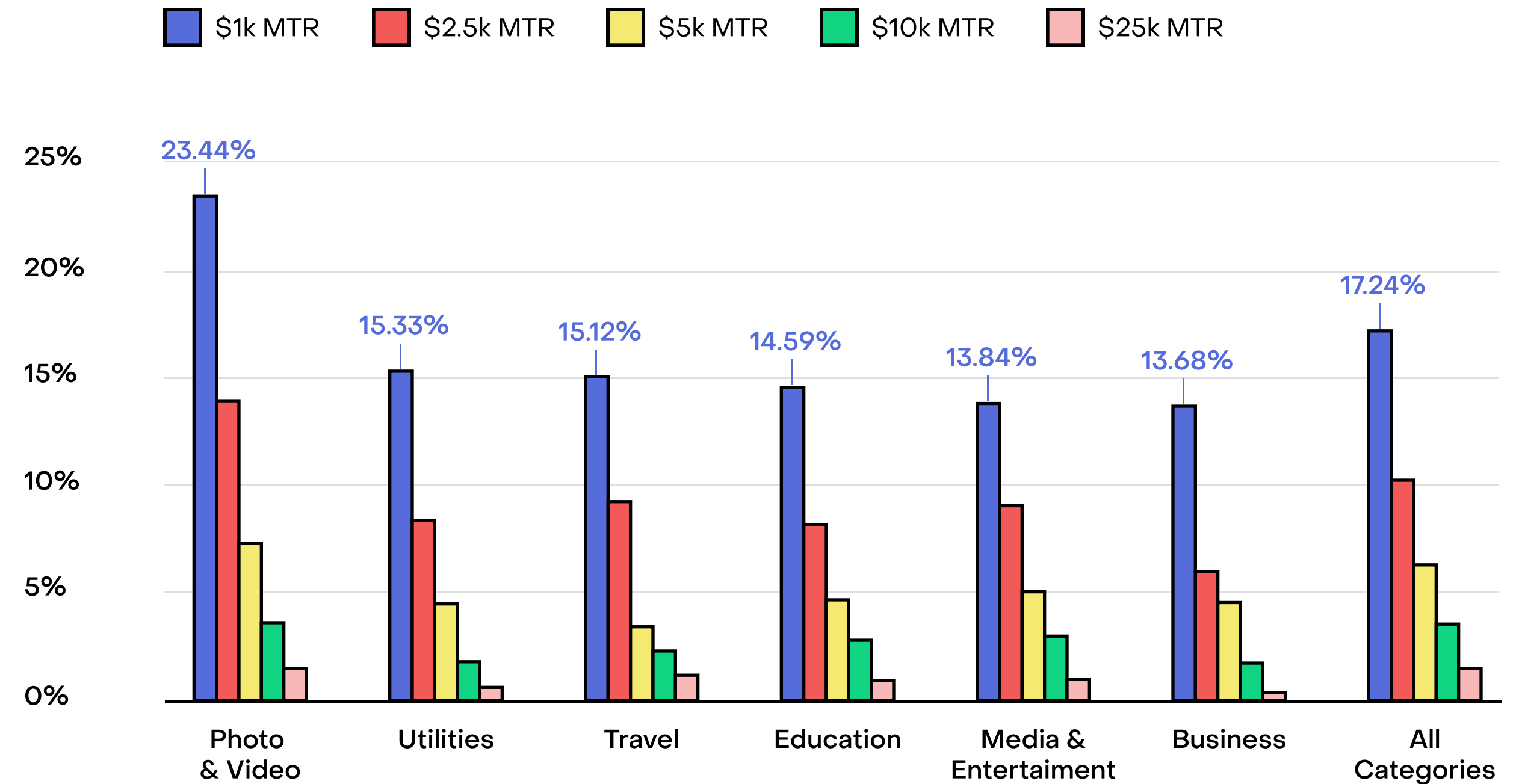
Hit rate measures what percentage of apps reach a monthly revenue goal. For each category, we're showing the percentage of apps that reach $1k, $2.5k, $5k, $10k, and $25k MTR.

# "Here are a few strategies to help you reach $1k MTR"

**Let ASO Drive Your App Idea**
Find 5-10 keywords that have very little competition. Instead of finding the market, build an app that the market is already demanding and the rest of the competition is ignoring.

**Invest in Apple Search Ads**
Apple Search Ads (ASA) is one of the easiest paid marketing channels to set up. Not only will ASA help drive relevant downloads and sales, but it will also help inform your ASO strategy so you can discover the right keywords that are actually driving high tap-through rates and conversion rates.

**Invest in Meta and other paid channels**
We've worked with many apps that ignore the above steps and are generating $50-100K MTR. If you have the marketing budget, then invest time in Meta or other paid marketing channels. Again, the goal is to get to $1k MTR, and then the rest becomes easier.

**Steve P. Young**
Founder @ App Masters

appmasters

**Listen to Steve on the Sub Club podcast**

# After the first $1,000 in monthly revenue, new milestones come faster

· The median number of days it takes an app to reach $1k in monthly revenue is **65 days**, while getting to $5,000 takes a total of **120 days**. A trend that holds across most categories.

· Notable exception is Travel, which sees apps reach $1k and $2.5k faster than average, but then slows down to a crawl when scaling to $5k.

· Photo & Video apps get to $1,000 in monthly revenue faster than any other category, which seems to be driven by the explosive growth in AI image apps last year. In addition to the obvious big winners in that particular sub-genre, a large number of indies and small scale startups launched to some initial success.

**TIME TO REVENUE - BY CATEGORY**



Legend: Median days to $1k, Median days to $2.5k, Median days to $5k

Values (Median days to $5k): Gaming 84, Health & Fitness 86, Photo & Video 96, Business 99, Social & Lifestyle 111, Media & Entertainment 131, Productivity 146, Utilities 158, Education 267, Travel 332, All Categories 120
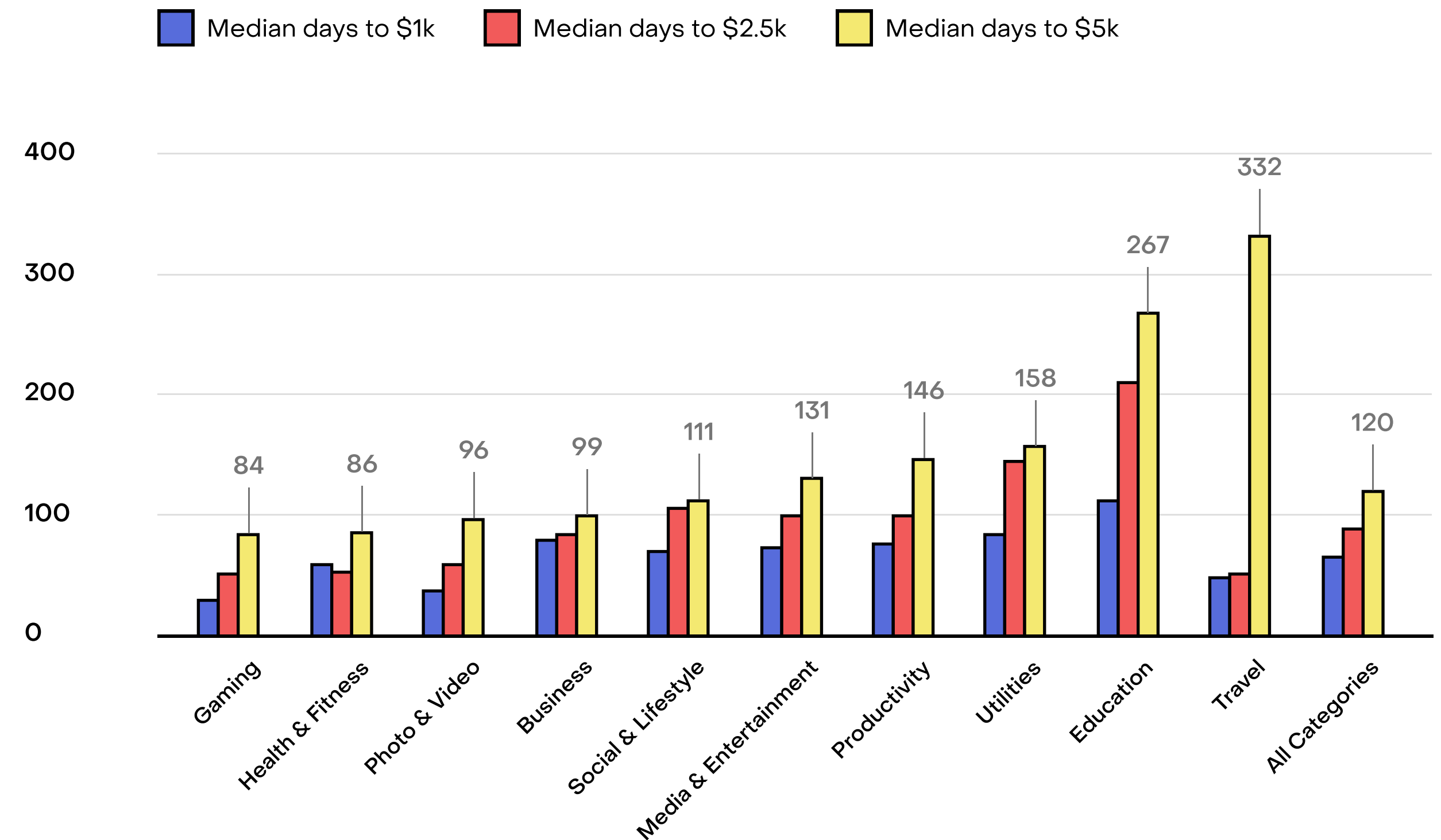
Time to revenue measures the average number of days it takes an app to reach different MTR goals.

# "You need to figure out how to market your app"

Long gone are the days of "build it and they will come." You need to figure out how to market your app if you want to make money. The marketing channels you have at your disposal are dictated by the price point. A higher-priced app can afford to spend more on paid acquisition, since each customer is worth more. If your app is at a lower price point, you're going to need to figure out how to create more organic or viral strategies to grow.

Remember: not all revenue is created equal. Many apps are spending on paid acquisition to acquire new customers, but they're losing money or breaking even after the customer acquisition cost. This is crazy. Don't worry about the top app's revenue performance — figure out how to make your unit economics profitable. Revenue doesn't mean you have a good business; profit means you have a good business.

**Jacob Rushfinn**
Consultant and founder
of Retention.Blog

# The top 5% generate 200x the revenue the bottom quartile makes, one year in

· The median monthly revenue an app generates 12 months in is **a little under $50 USD**.

· When segmenting down to the top 10% or even top 5% of performers, revenue numbers increase rapidly, going from $223 (upper quartile), to $971 (Q90), to $2,352 (Q95) in monthly revenue.

· Health & Fitness significantly outperforms all other categories, however we segment them: From the bottom quartile to the top 5%, all generate more revenue 12 months in than any other category.

**REVENUE, ONE YEAR AFTER LAUNCH – BY CATEGORY**
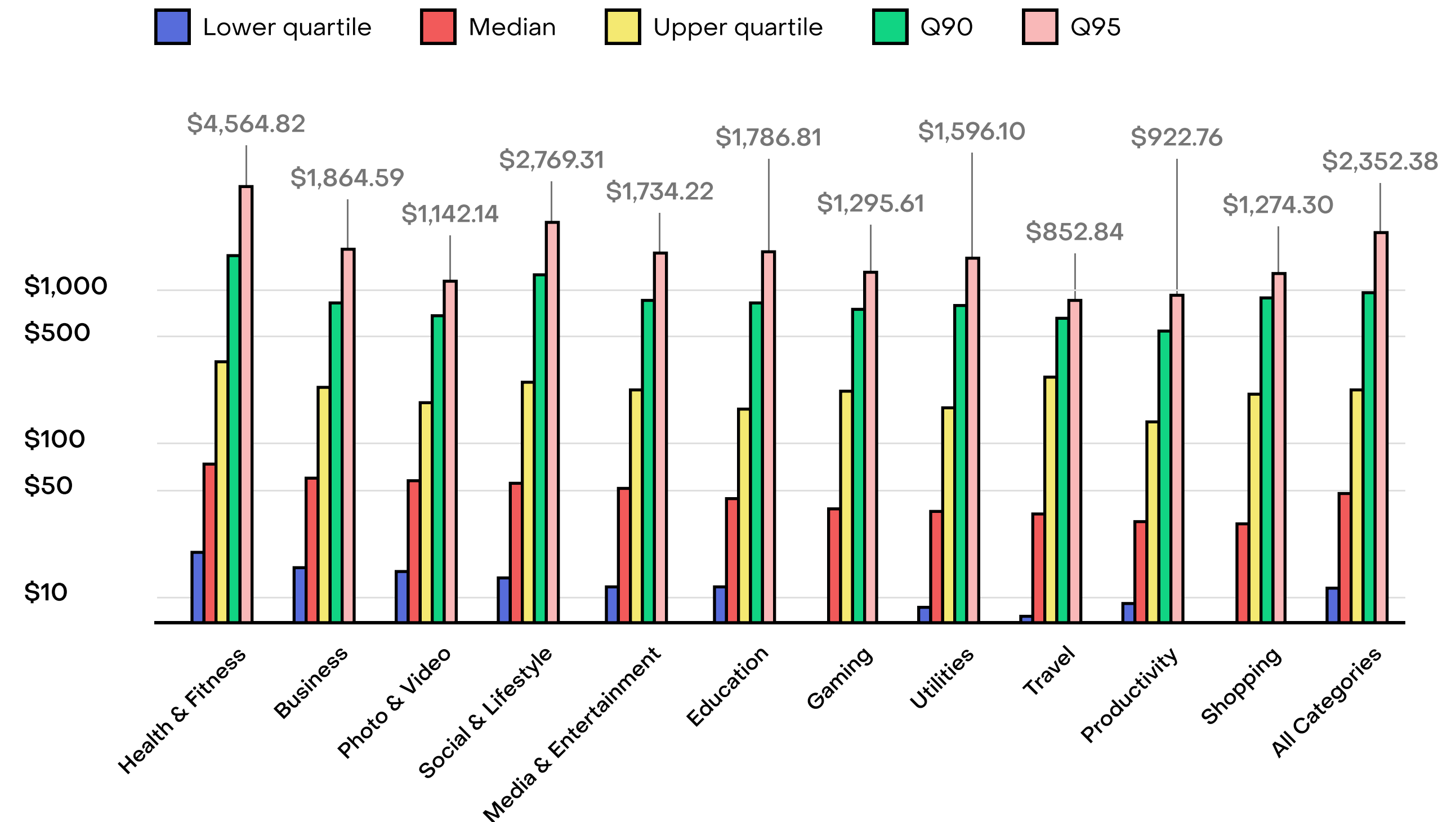


Monthly revenue, one year after launch, split down to category and showing the bottom quartile, upper quartile, median, best 10% (Q90) and best 5% (Q95).

# "Make win-win product changes to keep users"

Understanding the typical behavior of a subscriber cohort can help you maximize revenue and reduce churn. Knowing that cohort churn hits the hardest on month three allows you to make product and messaging changes to try to mitigate that churn.

Getting more users to stay past the churn horizon will help increase your LTV. Develop retention programs or make win-win product changes to keep users. Some potential strategies include:

**Conduct User Research:** Conduct user research to understand what the retained subscribers like. Also, research what caused churn by adding in a survey for your departing users to capture why they are leaving.

**Update Onboarding:** Revamp onboarding flows and messages so subscribers can start off strong. Remember that you only get one chance to make a first impression, and the longer you keep the users from churning the less likely they are to churn.

**Reward Loyalty:** Mitigate churn with loyalty programs to keep subscribers past the churn horizon. Loyalty rewards can be things like a boost of monthly game currency or access to exclusive subscriber content.

**Develop with Your Users In Mind:** Work with your product team to get your users' most requested features on the product roadmap.

**Jenny Kay Pollock**
Mobile App Expert and
Founder of Women and AI

WOMEN AND AI

## My Indie App Business Year In Review
–Sebastian Röhl

"In April 2022, I took a leap, leaving my software engineering job to pursue a dream: building a profitable app business within a year. The journey began with a challenging 2022, a year that tested my endurance and patience with modest revenues and sales. However, 2023 marked a crazy turnaround, transforming my indie hacking adventure into an absolute success."

## From Zero Revenue to a Full-Time Gig in Less Than a Year
–Emmanuel Crouvisier

"Keep your costs really low. [...] The companies that have been in this space before never last more than two years because they need a team of [up to] 30 people to run everything. Whereas [with CardPointers], it's just me, and my costs are literally hundreds of dollars per month — so it makes it easy for me to make a good business out of it."

## Slopes: From Indie Side-Hustle to $1M in ARR and an Apple Design Award
–Curtis Herbert

Curtis made just $10,600 during the first two years of the ski tracking app's existence. It has taken him nine years to build Slopes and grow it into a million-dollar app.

"A lot of [the early growth] was word-of-mouth, luck … the core of the ski community — the people who go often — not just the people going out for holidays, they're going to talk share, things like that"

## I'm DONE with all these "Success Stories" Online
–Enos Codes

"Most of the success stories had luck, opportunities, or advantages that can't be explained in a single video. [...] Most of us who have failed have nowhere to share our stories, and neither do most people on the internet. [If people] shared their interesting business stories that failed, I would learn much more from that.

So I Started a newsletter for stories/lessons on failed startups."

# 2024 predictions

Alongside the insights and analyses scattered throughout this report, our guest experts provided their predictions for 2024.

While we don't have room to include them in full, in this section we distill them into the key points.

However, you can still read the full predictions, in out experts' own words.

Visit: rev.cat/2024predictions

# Rising trends in pricing and no-trial models

**Pricing and packaging trends:**

- **Subscription prices will continue to rise,** driven by the need to balance unit economics with escalating user acquisition costs and a desire for some apps to differentiate themselves as premium offerings.

- **More apps will adopt no-trial subscription plans,** moving away from the common free trial model towards upfront subscriptions for specific user segments or features.

- **The use of longer, more detailed paywalls will become more common,** providing users with extensive information to justify higher price points.

"I can see how the average price of subscriptions might continue to increase.

This trend isn't solely an effect of external forces like inflation or merely following a few pioneers.

Higher subscription prices are driven by the need to balance unit economics with the increasing cost of user acquisition, the low elasticity of the minority of payers, and the positioning as premium by many apps to differentiate themselves."

**Thomas Petit**
Independent app
growth consultant

# Hybrid monetization and strategic diversification

**Monetization:**

- **There will be a notable increase in hybrid monetization models,** as apps begin combining subscription revenue with non-renewable in-app purchases, in-app ads, partnerships, e-commerce, and affiliate marketing.

- **The debate over the best subscription model (annual vs. monthly) will intensify,** considering factors like conversion rates, churn, and strategic goals.

**Market and product strategy shifts:**

- **Apps will increasingly launch tangential products,** leveraging cross-promotion for growth as expanding the user base becomes more challenging.

- **There will be a resurgence of niche apps** and a strategy shift towards building portfolios of smaller apps to diversify risk and tap into specific market segments.

"Apps are going to find it harder to scale through continuing to grow their user base and are instead going to spin out tangential new apps.

Having a huge win in the consumer space is very hard. Having multiple small to medium-sized wins will be much easier.

They'll also have the advantage of using cross-promotion between apps to jump-start their growth."

**Jacob Rushfinn**
Consultant and Founder
of Retention.Blog

# AI dominance and enhanced personalization in user experience

**Technological and operational innovations:**

- **AI will dominate** discussions, significantly influencing app development and marketing strategies.

- **Apps will increasingly personalize** paywalls, onboarding, and user journeys using first-party data to improve the user experience and engagement.

**Customer experience and engagement:**

- **Exceptional customer support,** targeted problem-solving, and high-quality products will become key differentiators, especially for apps targeting Gen Z and those seeking virality on platforms like TikTok.

- **Developers will experiment more with post-trial onboardings** and direct purchase options to improve conversion rates post-trial.

"AI represents the single most significant technological innovation of the 21st century.

Consumer subscription companies that fail to adapt may quickly become obsolete…

Yet AI will also create an unprecedented opportunity for consumer subscription startups to disrupt existing categories and invent new ones."

**Phil Carter**
Growth advisor
and angel investor

# Adapting to new regulations and navigating investment trends

**Industry dynamics and regulatory environment:**

- **The regulatory landscape for in-app purchases will continue to evolve,** with third-party payment processors and app stores remaining a focus but viable for only a minority of apps.

- **Apple might launch an OS-level ad network,** significantly impacting iOS app monetization and advertising strategies.

**Investment landscape:**

- **The investment climate will remain cautious,** with an increased focus on product-led growth strategies such as paywall testing, CRM, and referral programs to enhance conversion from install to purchase.

- **Investor interest in top-tier subscription apps will surge,** leading to substantial valuation premiums and potentially revitalizing consumer M&A and investment in standout companies.

"In 2023 we saw limited investment, smaller budgets and a tighter focus on product-led growth.

I think we'll continue to see this into 2024 as the fundraising landscape remains more bleak than in the last five years.

Things like paywall testing, discounts, CRM, and product-led growth via referrals can help drive up numbers and do more with less."

**Rosie Hoggmascall**
Product growth consultant

# Health & Fitness

## MOST POPULAR PRICE POINTS

| | Health & Fitness | All Categories |
|---|---|---|
| Weekly - most common | $ 4.99 | $ 4.99 |
| Monthly- most common | $ 9.99 | $ 9.99 |
| Yearly - most common | $ 29.99 | $ 29.99 |

## AVERAGE PRICE POINTS



Legend: Health & Fitness, All Categories, Difference

Weekly – Average: $6.29, $5.55, $0.74
Monthly – Average: $10.01, $8.26, $1.75
Yearly – Average: $37.37, $32.53, $4.84

## SHARE OF APPS OFFERING SPECIFIC PLAN DURATIONS



Legend: Health & Fitness, All Categories, Difference

1w: 11.73%, 26.02%, −14.94%
1m: 89.77%, 84.74%, 5.03%
3m: 23.09%, 14.5%, 8.59%
6m: 13.74%, 9.93%, 3.81%
1y: 86.51%, 76.93%, 9.58%

## SHARE OF SUBSCRIPTIONS BY PLAN DURATION



Legend: Health & Fitness, All Categories, Difference

1w: 3.8%, 25.75%, −21.95%
1m: 21.06%, 28.02%, −6.96%
3m: 5.11%, 1.33%, 3.78%
6m: 0.83%, 0.53%, 0.30%
1y: 69.22%, 44.37%, 24.85%

## TRIAL STRATEGY



Health & Fitness    All Categories    Difference

- 56.35%
- 47.84%
- 25.82%
- 28.81%
- 17.83%
- 28.81%
- Trial only
- No trial only
- Mixed
- 8.51%
- −2.99%
- −10.98%

## TRIAL DURATION, AS A SHARE OF SUBSCRIPTIONS



Health & Fitness    All Categories    Difference

- 67.76%
- 44.64%
- 19.99%
- 40.34%
- 23.12%
- <=4 days
- 5-9 days
- 10-16 days
- 17- 32 days
- 7.64%
- 8.13%
- 4.62%
- 6.89%
- −0.49%
- −2.27%
- −20.35%

## TRIAL START RATE



| | Health & Fitness | All Categories | Difference |
|---|---|---|---|
| Lower q | 3.04% | 2.28% | 0.76% |
| Median | 6.73% | 5.26% | 1.47% |
| Upper q | 13.48% | 10.47% | 3.01% |

## TIME TO TRIAL START



| | Health & Fitness | All Categories | Difference |
|---|---|---|---|
| day 0 | 82.10% | 80.05% | 2.05% |
| 1–3 | 5.89% | 4.69% | 1.2% |
| 4–7 | 2.07% | 1.86% | 0.21% |
| 8–14 | 1.67% | 1.66% | 0.01% |
| 15–30 | 1.81% | 2.04% | −0.23% |
| 31–100 | 2.86% | 3.84% | −0.98% |
| 101–365 | 3.61% | 5.87% | −2.26% |

## TRIAL CONVERSION RATE



| | Health & Fitness | All Categories | Difference |
|---|---|---|---|
| Average | 42.51% | 37.3% | 5.21% |
| Lower q | 30.7% | 24.1% | 6.6% |
| Median | 44.5% | 37.9% | 6.6% |
| Upper q | 58.8% | 55.6% | 3.2% |

## DOWNLOAD TO PAID, BY REGION



| | Health & Fitness | All Categories | Difference |
|---|---|---|---|
| EMEA | 4.45% | 1.45% | 3.00% |
| Japan | 3.27 | 2.06% | 1.21% |
| NA | 9.36% | 4.39% | 4.97% |
| ROW | 3.22% | 0.91% | 2.31% |
| South Korea | 3.22% | 2.07% | 1.25% |
| All Locations | 5.73% | 1.73% | 4% |

## REALIZED DAY 14 AND DAY 60 LTV, BY STORE



## D14 RLTV, BY REGION



## D60 RLTV, BY REGION

## 1ST RENEWAL RATE

- Health & Fitness
- All Categories
- Difference

Lower q: 50.54% / 49.37% / 1.17%
Median: 60.81% / 60.65% / 0.16%
Upper q: 70.15% / 71.29% / −1.14%

## 2ND RENEWAL RATE

- Health & Fitness
- All Categories
- Difference

Lower q: 66.38% / 67.16% / −0.78%
Median: 73.24% / 74.22% / −0.98%
Upper q: 79.22% / 80.88% / −1.66%

## YEAR 1 RETENTION, BY PLAN DURATION

- Health & Fitness
- All Categories
- Difference

P1W: 4.33% / 3.52% / 0.81%
P1M: 10.64% / 12.08% / −1.44%
P1Y: 21.15% / 28.06% / −6.91%

## 12M REACTIVATION RATE, BY PLAN DURATION

- Health & Fitness
- All Categories
- Difference

P1W: 5.89% / 9.29% / −3.4%
P1M: 9.31% / 11.95% / −2.64%
P1Y: 4.54% / 5.89% / −1.35%
All plan durations: 6.82% / 9.49% / −2.67%

## MILESTONE HIT RATE



Legend: Health & Fitness, All Categories, Difference

- $1k MTR: 22.41% / 17.24% / 5.17%
- $2.5k MTR: 13.15% / 10.28% / 2.87%
- $5k MTR: 8.15% / 6.29% / 1.86%
- $10k MTR: 4.17% / 3.51% / 0.66%
- $25k MTR: 1.57% / 1.51% / 0.06%

## TIME TO GOAL



Legend: Health & Fitness, All Categories, Difference

- Median days to 1k: 59 / 65 / −6
- Median days to 2.5k: 52 / 88 / −36
- Median days to 5k: 86 / 120 / −34

## MONTHLY REVENUE AT THE END OF YEAR 1



Legend: Health & Fitness, All Categories, Difference

- Lower q: $19.96 / $11.71 / $8.25
- Median: $75.02 / $48.29 / $26.73
- Upper q: $344.84 / $233.2 / $121.64
- Q90: $1,681.87 / $970.95 / $710.92
- Q90: $4,654.82 / $2,352.38 / $2,302.44

# Photo & Video

## MOST POPULAR PRICE POINTS

|  | Photo & Video | All Categories |
|---|---|---|
| Weekly - most common | $ 2.99 | $ 4.99 |
| Monthly- most common | $ 9.99 | $ 9.99 |
| Yearly - most common | $ 29.99 | $ 29.99 |

## AVERAGE PRICE POINTS



Legend: Photo & Video, All Categories, Difference

Weekly – Average: $5.2, $5.55, –$0.35
Monthly – Average: $8.48, $8.26, $0.22
Yearly – Average: $31.68, $32.53, –$0.85

## SHARE OF APPS OFFERING SPECIFIC PLAN DURATIONS



Legend: Photo & Video, All Categories, Difference

1w: 50.38%, 26.02%, 24.36%
1m: 76.62%, 84.74%, –8.13%
3m: 7.22%, 14.5%, –7.28%
6m: 3.42%, 9.93%, –6.51%
1y: 83.84%, 76.93%, 6.91%

## SHARE OF SUBSCRIPTIONS BY PLAN DURATION



Legend: Photo & Video, All Categories, Difference

1w: 32.3%, 25.75%, 6.55%
1m: 20.57%, 28.02%, –7.45%
3m: 0.1%, 1.33%, –1.23%
6m: 0.02%, 0.53%, –0.51%
1y: 47.01%, 44.37%, 2.64%

## TRIAL STRATEGY

**■** Photo & Video   **■** All Categories   **■** Difference



## TRIAL DURATION, AS A SHARE OF SUBSCRIPTIONS

**■** Photo & Video   **■** All Categories   **■** Difference

## TRIAL START RATE

Legend: Photo & Video | All Categories | Difference

| | Lower q | Median q | Upper q |
|---|---|---|---|
| Photo & Video | 2.69% | 5.64% | 9.12% |
| All Categories | 2.28% | 5.26% | 10.47% |
| Difference | 0.41% | 0.38% | -1.35% |

## TIME TO TRIAL START

Legend: Photo & Video | All Categories | Difference

| | day 0 | 1-3 | 4-7 | 8-14 | 15-30 | 31-100 | 101-365 |
|---|---|---|---|---|---|---|---|
| Photo & Video | 75.56% | 3.64% | 1.61% | 1.66% | 2.34% | 5.06% | 10.13% |
| All Categories | 80.05% | 4.69% | 1.86% | 1.66% | 2.04% | 3.84% | 5.87% |
| Difference | -4.49% | -1.05% | -0.25% | | 0.3% | 1.22% | 4.26% |

## TRIAL CONVERSION RATE

Legend: Photo & Video | All Categories | Difference

| | Average | Lower q | Median | Upper q |
|---|---|---|---|---|
| Photo & Video | 31.14% | 16.4% | 26.2% | 38.9% |
| All Categories | 37.3% | 24.1% | 37.9% | 55.6% |
| Difference | -6.16% | -7.7% | -11.7% | -16.7% |

## DOWNLOAD TO PAID, BY REGION

Legend: Photo & Video | All Categories | Difference

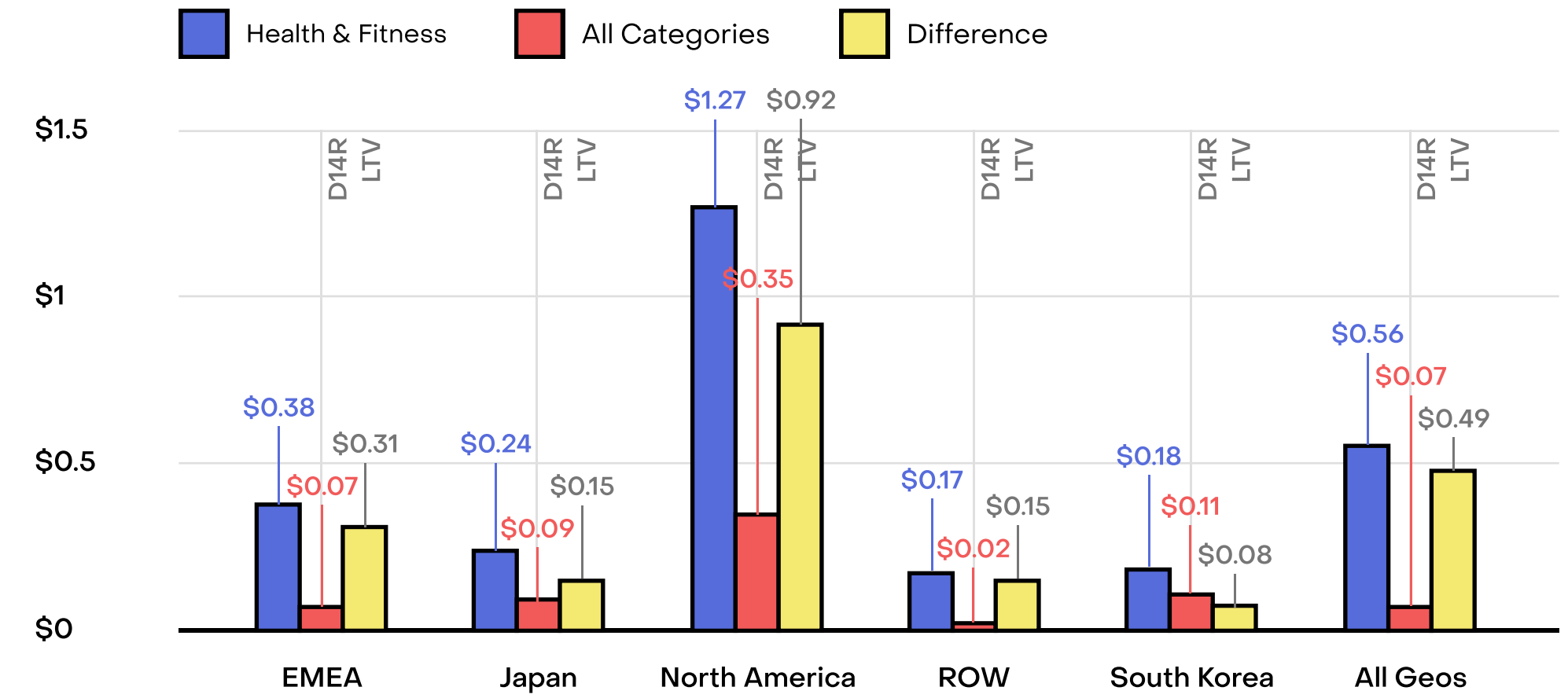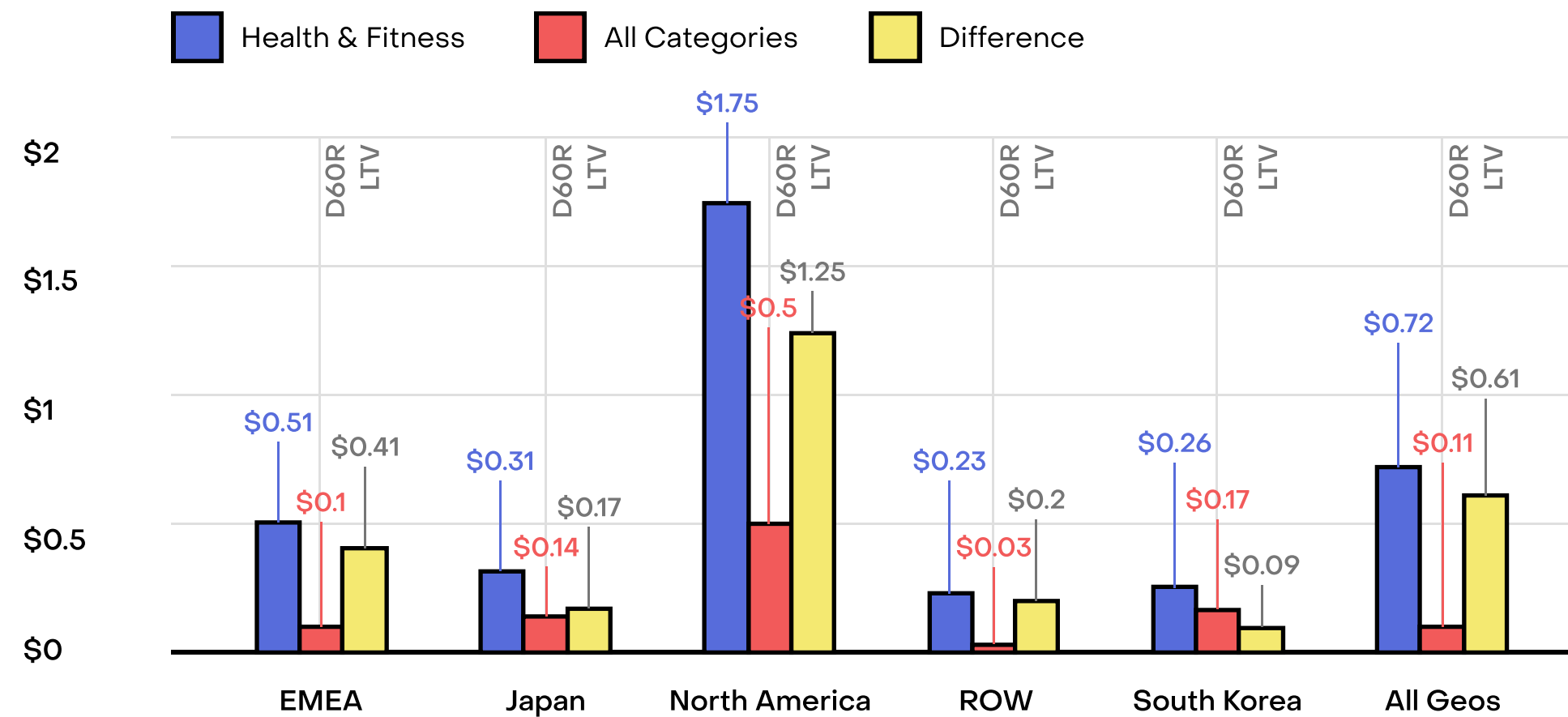| | EMEA | Japan | NA | ROW | South Korea | All Locations |
|---|---|---|---|---|---|---|
| Photo & Video | 2.91% | 2.79% | 6.11% | 2.42% | 4.88% | 3.17% |
| All Categories | 1.45% | 2.06% | 4.39% | 0.91% | 2.07% | 1.73% |
| Difference | 1.46% | 0.73% | 1.72% | 1.51% | 2.81% | 1.44% |

## REALIZED DAY 14 AND DAY 60 LTV, BY STORE
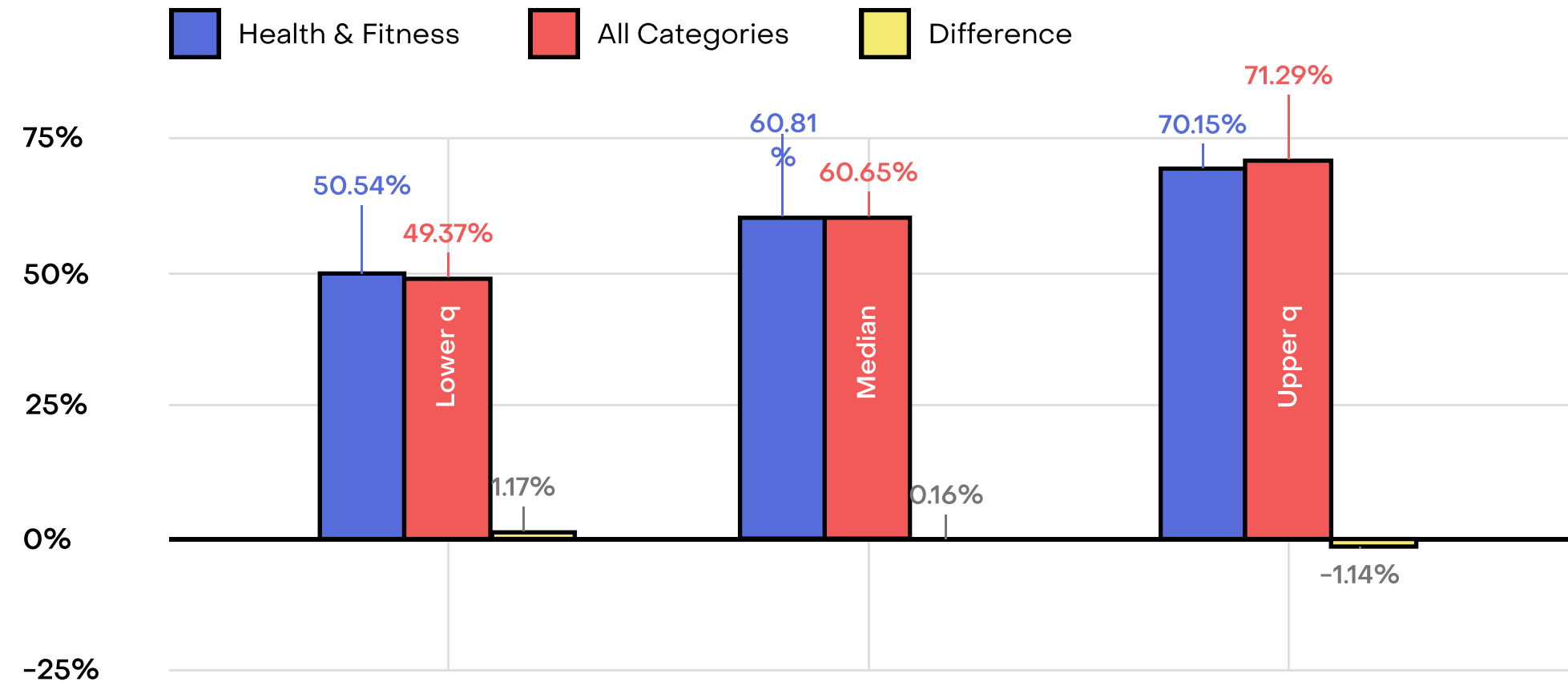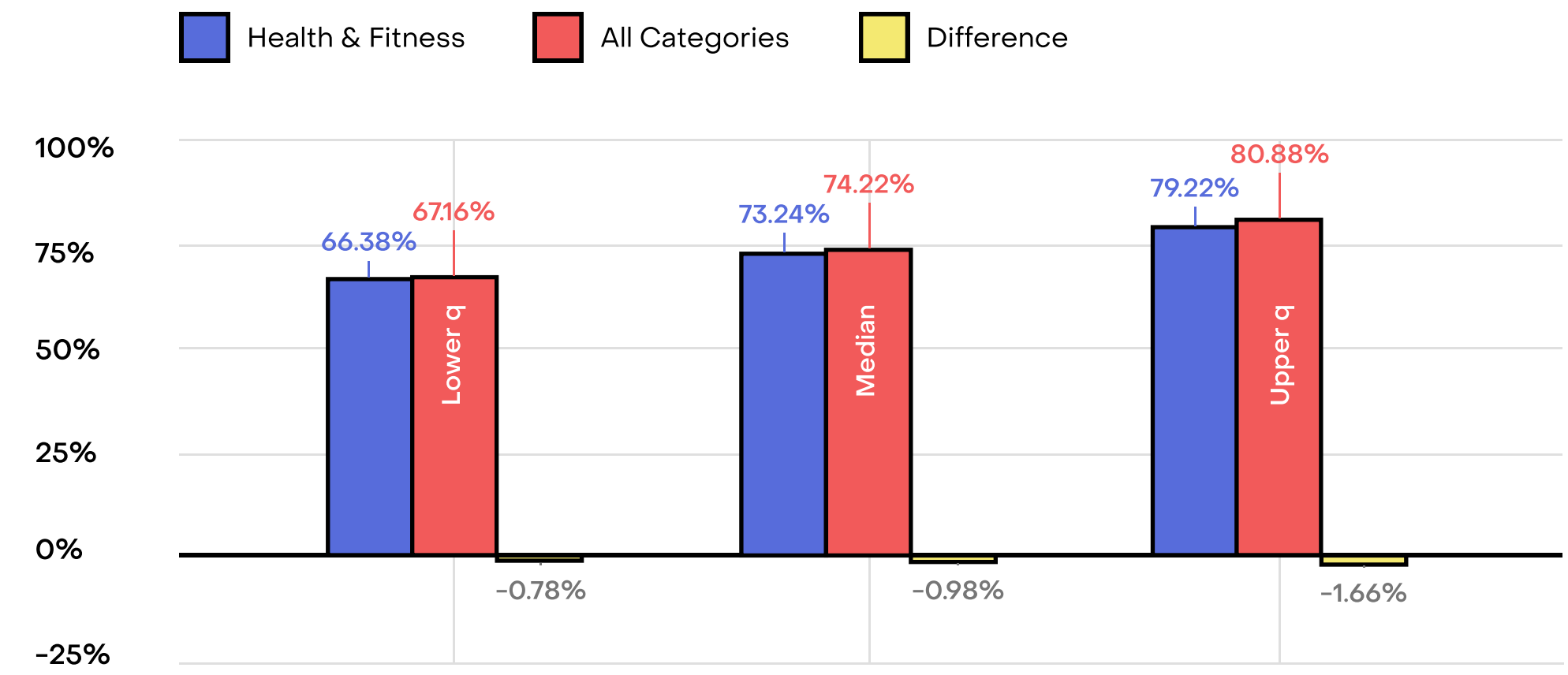


## D14 RLTV, BY REGION
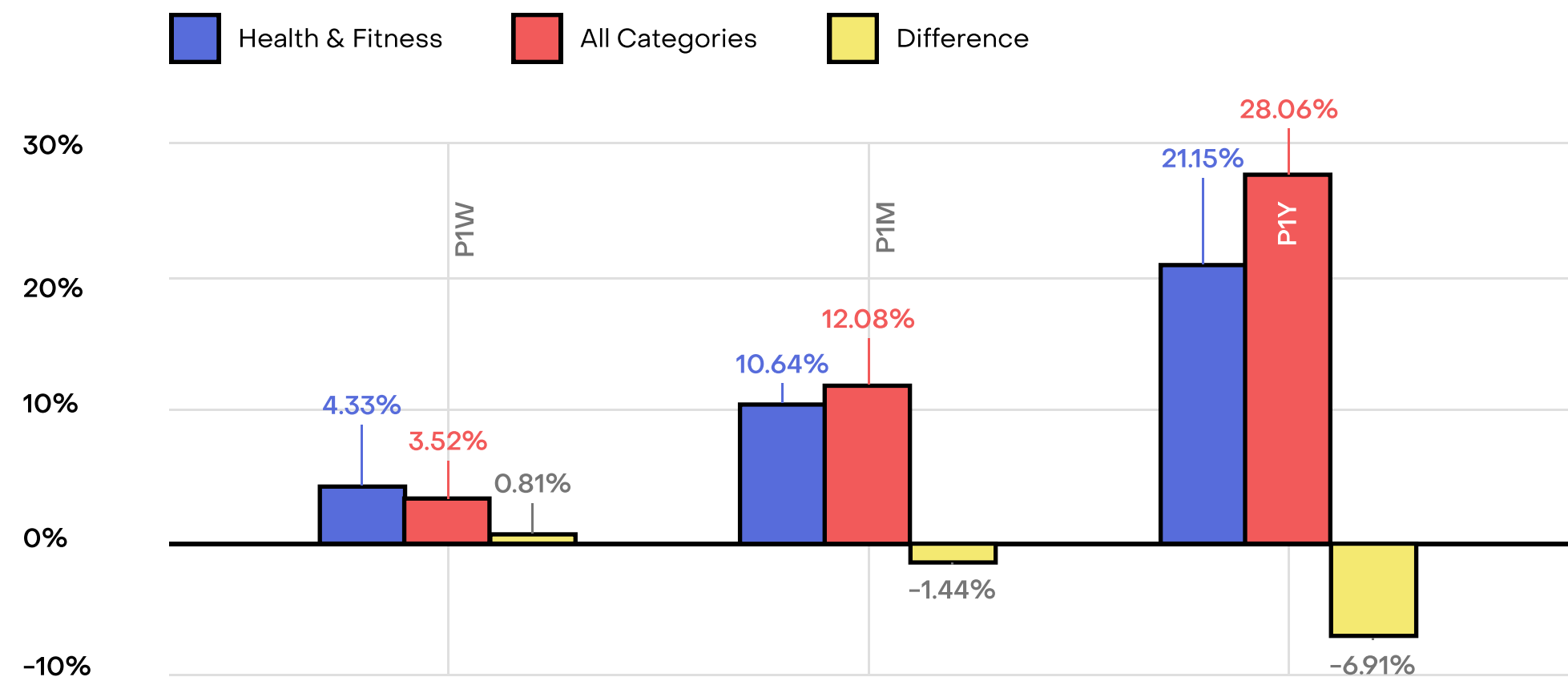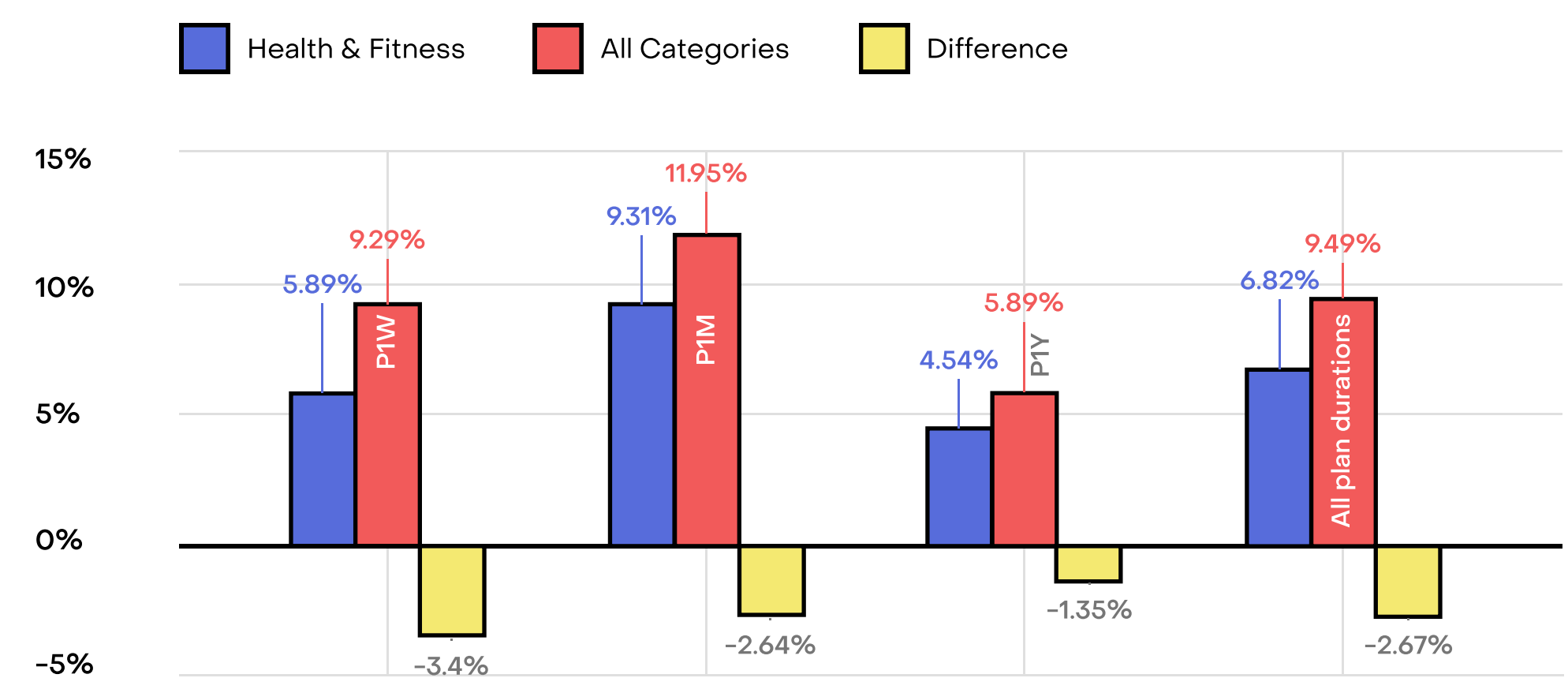


## D60 RLTV, BY REGION

## 1ST RENEWAL RATE



## 2ND RENEWAL RATE



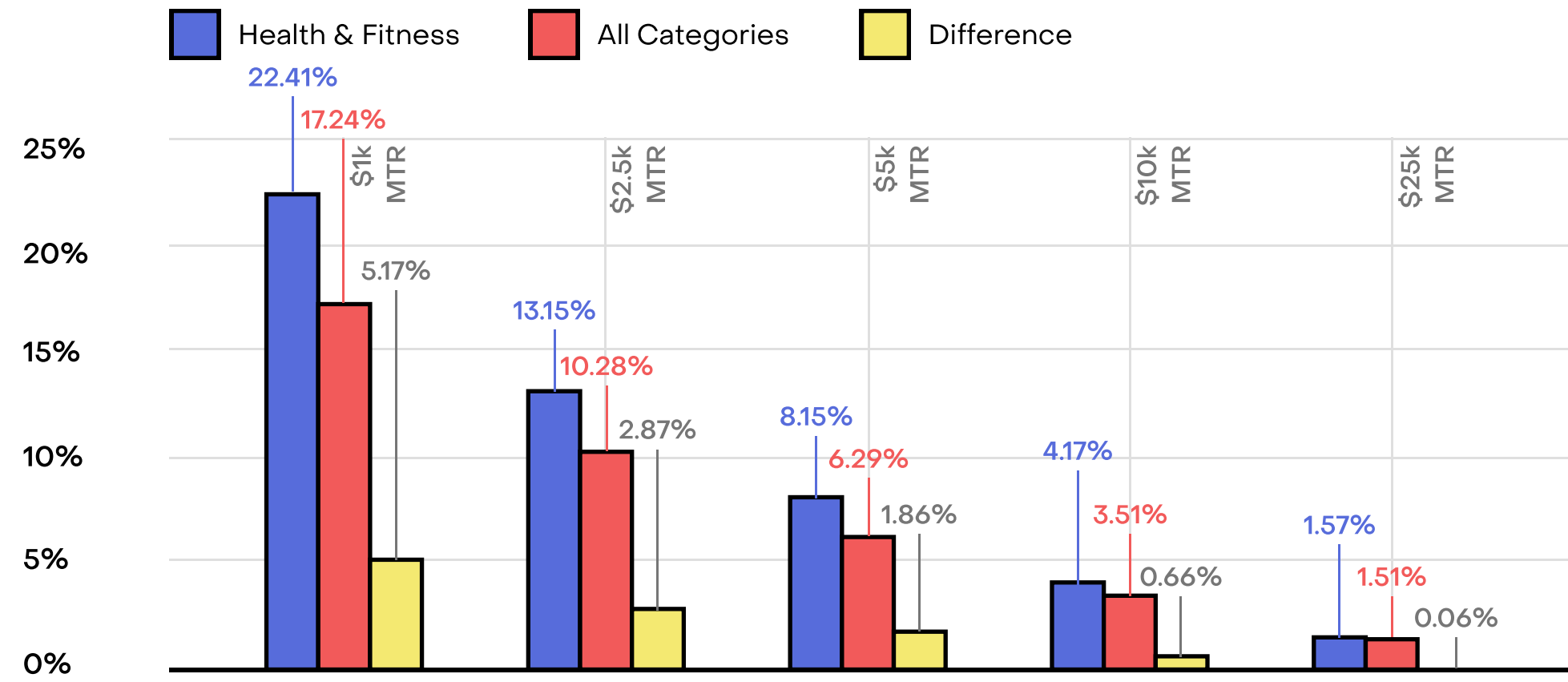## YEAR 1 RETENTION, BY PLAN DURATION



## 12M REACTIVATION RATE, BY PLAN DURATION

## MILESTONE HIT RATE

Legend: Photo & Video | All Categories | Difference

- $1k MTR: Photo & Video 23.44%, All Categories 17.24%, Difference 6.2%
- $2.5k MTR: Photo & Video 13.92%, All Categories 10.28%, Difference 3.64%
- $5k MTR: Photo & Video 7.33%, All Categories 6.29%, Difference 1.04%
- $10k MTR: Photo & Video 3.66%, All Categories 3.51%, Difference 0.15%
- $25k MTR: All Categories 1.51%, Difference -0.04%, Photo & Video 1.47%

## TIME TO GOAL

Legend: Photo & Video | All Categories | Difference

- Median days to 1k: Photo & Video 37, All Categories 65, Difference -28
- Median days to 2.5k: Photo & Video 60, All Categories 88, Difference -29
- Median days to 5k: Photo & Video 96, All Categories 120, Difference -25

## MONTHLY REVENUE AT THE END OF YEAR 1

Legend: Photo & Video | All Categories | Difference

- Lower q: Photo & Video $15.03, All Categories $11.71, Difference $3.32
- Median: Photo & Video $57.55, All Categories $48.29, Difference $9.26
- Upper q: Photo & Video $187.97, All Categories $970.95
- Q90: Photo & Video $690.1, All Categories $970.95
- Q95: Photo & Video $1,142.14, All Categories $2,352.48

# Media & Entertainment

## MOST POPULAR PRICE POINTS

| | Media & Entertainment | All Categories |
|---|---|---|
| Weekly – most common | $ 4.99 | $ 4.99 |
| Monthly– most common | $ 4.99 | $ 9.99 |
| Yearly – most common | $ 29.99 | $ 29.99 |

## AVERAGE PRICE POINTS



Legend: Media & Entertainment | All Categories | Difference

- Weekly – Average: $4.96 | $5.55 | –$0.59
- Monthly – Average: $5.52 | $8.26 | –$2.74
- Yearly – Average: $35.40 | $32.53 | $2.87

## SHARE OF APPS OFFERING SPECIFIC PLAN DURATIONS



Legend: Media & Entertainment | All Categories | Difference

- 1w: 23.24% | 26.02% | –2.78%
- 1m: 84.97% | 84.74% | 0.23%
- 3m: 12.75% | 14.5% | –1.74%
- 6m: 7.59% | 9.93% | –2.35%
- 1y: 72.97% | 76.93% | –3.96%

## SHARE OF SUBSCRIPTIONS BY PLAN DURATION



Legend: Media & Entertainment | All Categories | Difference

- 1w: 18.67% | 25.75% | –7.07%
- 1m: 48.67% | 28.02% | 20.65%
- 3m: 0.56% | 1.33% | –0.77%
- 6m: 0.29% | 0.53% | –0.23%
- 1y: 31.81% | 44.37% | –12.56%

## TRIAL STRATEGY



Legend: Media & Entertainment, All Categories, Difference

- Trial only: Media & Entertainment 20.41%, All Categories 28.81%, Difference −8.40%
- No trial only: Media & Entertainment 34.87%, All Categories 28.81%, Difference 6.06%
- Mixed: Media & Entertainment 44.72%, All Categories 47.84%, Difference −3.12%

## TRIAL DURATION, AS A SHARE OF SUBSCRIPTIONS



Legend: Media & Entertainment, All Categories, Difference

- <=4 days: Media & Entertainment 41.85%, All Categories 40.34%, Difference 1.51%
- 5–9 days: Media & Entertainment 39.46%, All Categories 44.64%, Difference −5.18%
- 10–16 days: Media & Entertainment 6.37%, All Categories 8.13%, Difference −1.76%
- 17–32 days: Media & Entertainment 12.33%, All Categories 6.89%, Difference 5.44%

## TRIAL START RATE



Legend: Media & entertainment | All Categories | Difference

| | Media & entertainment | All Categories | Difference |
|---|---|---|---|
| Lower q | 1.39% | 2.28% | −0.62% |
| Median q | 3.87% | 5.26% | −0.91% |
| Upper q | 9.12% | 10.47% | −0.62% |

## TIME TO TRIAL START



Legend: Media & entertainment | All Categories | Difference

| | Media & entertainment | All Categories | Difference |
|---|---|---|---|
| day 0 | 79.48% | 80.05% | −0.57 |
| 1–3 | 3.76% | 4.69% | −0.93% |
| 4–7 | 1.49% | 1.86% | −0.37% |
| 8–14 | 1.47% | 1.66% | −0.19% |
| 15–30 | 1.99% | 2.04% | −0.05% |
| 31–100 | 4.23% | 3.84% | 0.39% |
| 101–365 | 7.59% | 5.87% | 1.72% |

## TRIAL CONVERSION RATE



Legend: Media & entertainment | All Categories | Difference

| | Media & entertainment | All Categories | Difference |
|---|---|---|---|
| Average | 36.05% | 37.30% | −1.25% |
| Lower q | 24.30% | 24.10% | 0.20% |
| Median q | 40.40% | 37.90% | 2.50% |
| Upper q | 60.30% | 55.60% | 4.70% |

## DOWNLOAD TO PAID, BY REGION



Legend: Media & entertainment | All Categories | Difference

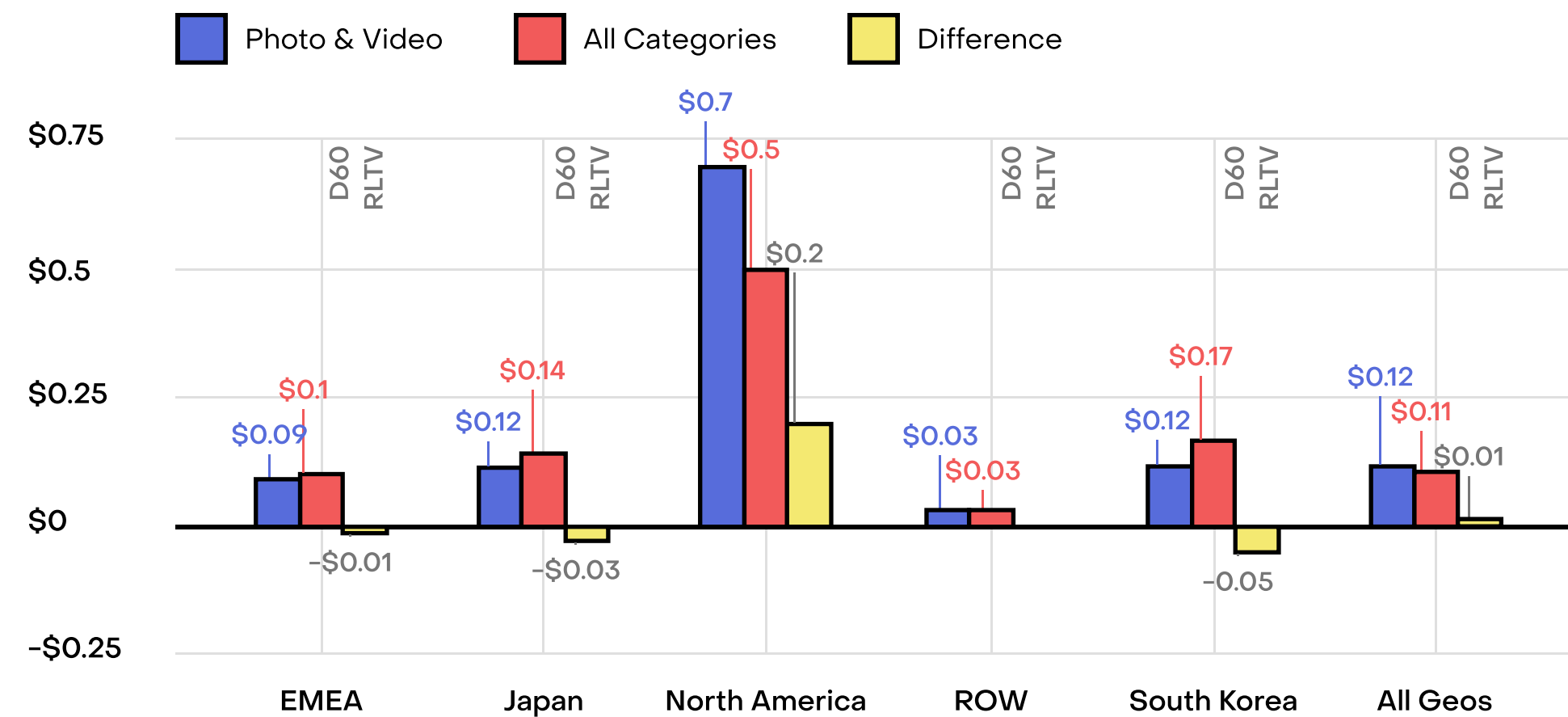| | Media & entertainment | All Categories | Difference |
|---|---|---|---|
| EMEA | 0.70% | 1.45% | −0.75% |
| Japan | 1.44% | 2.06% | −0.62% |
| NA | 2.96% | 4.39% | −1.43% |
| ROW | 0.50% | 0.91% | −0.41% |
| South Korea | 0.75% | 2.07% | −1.32% |
| All Locations | 0.94% | 1.73% | −0.79% |

## REALIZED DAY 14 AND DAY 60 LTV, BY STORE



## D14 RLTV, BY REGION



## D60 RLTV, BY REGION

## 1ST RENEWAL RATE



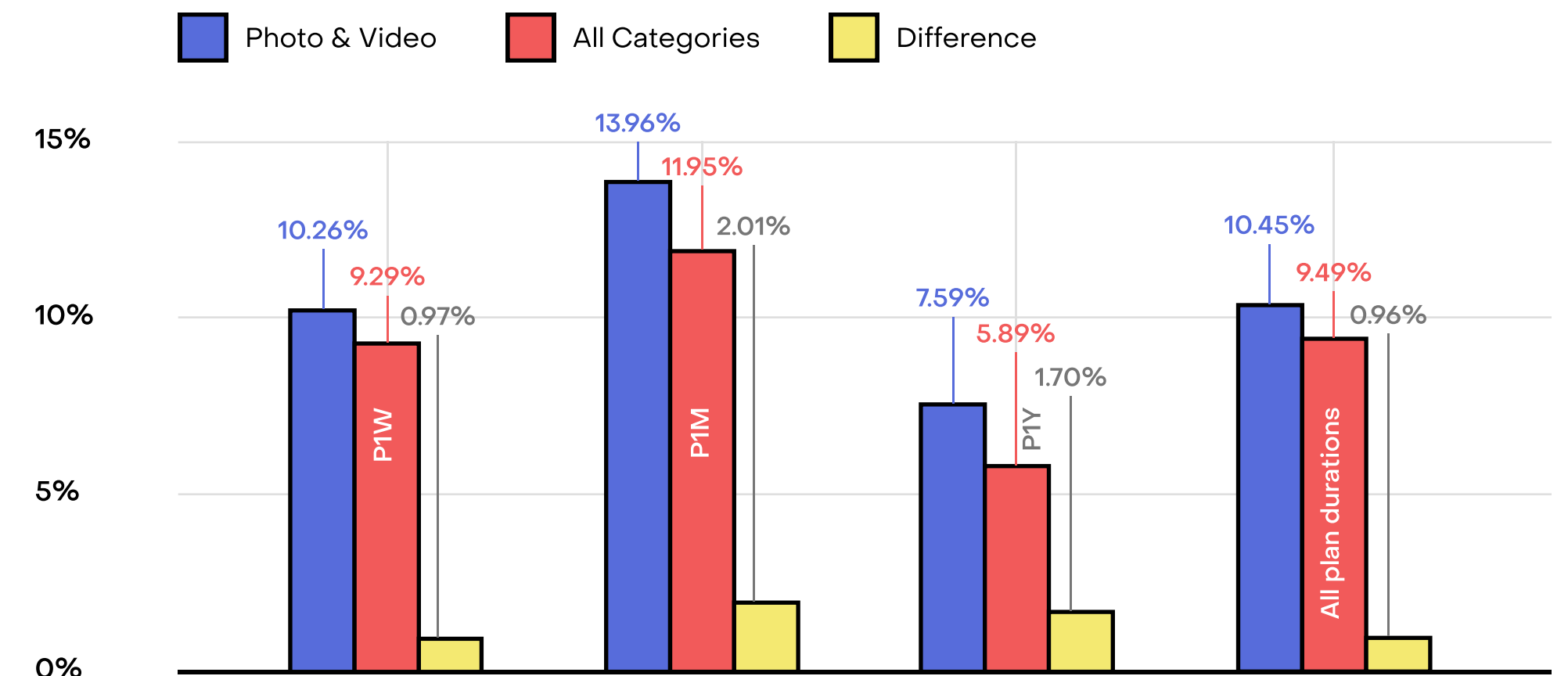Legend: Media & entertainment | All Categories | Difference

- Lower q: $47.86, 49.37%, −1.51%
- Median: 60.40%, 60.65%, −0.25%
- Upper q: 72.24, 71.29%, 0.95%

## 2ND RENEWAL RATE



Legend: Media & entertainment | All Categories | Difference

- Lower q: 68.33%, 67.16%, 1.17%
- Median q: 74.98%, 74.22%, 0.76%
- Upper q: 82.07%, 80.88%, 1.19%

## YEAR 1 RETENTION, BY PLAN DURATION



Legend: Media & entertainment | All Categories | Difference

- P1W: 3.06%, 3.52%, −0.46%
- P1M: 12.91%, 12.08%, 0.83%
- P1Y: 31.50%, 28.06%, 3.44%

## 12M REACTIVATION RATE, BY PLAN DURATION



Legend: Media & entertainment | All Categories | Difference

- P1W: 11.15%, 9.29%, 1.86%
- P1M: 14.15%, 11.95%, 2.20%
- P1Y: 5.92%, 5.89%, 0.03%
- All plan durations: 11.71%, 9.49%, 2.22%

# MEDIA & ENTERTAINMENT — GROWTH RATE

## MILESTONE HIT RATE



Legend: Media & Entertainment | All Categories | Difference

- $1k MTR: Media & Entertainment 13.84%, All Categories 17.24%, Difference −3.40%
- $2.5k MTR: Media & Entertainment 9.11%, All Categories 10.28%, Difference −1.17%
- $5k MTR: Media & Entertainment 5.08%, All Categories 6.29%, Difference −1.21%
- $10k MTR: Media & Entertainment 3.06%, All Categories 3.51%, Difference −0.45%
- $25k MTR: Media & Entertainment 1.05%, All Categories 1.51%, Difference −0.46%

## TIME TO GOAL



Legend: Media & Entertainment | All Categories | Difference

- Median days to $1k: Media & Entertainment 73, All Categories 65, Difference 8
- Median days to $2.5k: Media & Entertainment 100, All Categories 88, Difference 12
- Median days to $5k: Media & Entertainment 131, All Categories 120, Difference 11

## MONTHLY REVENUE AT THE END OF YEAR 1



Legend: Media & Entertainment | All Categories | Difference

- Lower q: Media & Entertainment $11.96, All Categories $11.71, Difference $0.25
- Median q: Media & Entertainment $52.4, All Categories $48.29, Difference $4.11
- Upper q: Media & Entertainment $226.37, All Categories $223.2, Difference $3.17
- Q90: Media & Entertainment $853.44, All Categories $970.95, Difference −$117.51
- Q95: Media & Entertainment $1,734.22, All Categories (value above chart), Difference −$618.16

# Utilities

## MOST POPULAR PRICE POINTS

| | Utilities | All Categories |
|---|---|---|
| Weekly - most common | $ 4.99 | $ 4.99 |
| Monthly- most common | $ 9.99 | $ 9.99 |
| Yearly - most common | $ 29.99 | $ 29.99 |

## AVERAGE PRICE POINTS



Legend: Utilities | All Categories | Difference

Weekly: $4.87 / $5.55 / −$0.68
Monthly: $5.77 / $8.26 / −$2.49
Yearly: $22.33 / $32.53 / −$10.20

## SHARE OF APPS OFFERING SPECIFIC PLAN DURATIONS



Legend: Utilities | All Categories | Difference

1w: 22.39% / 26.02% / −3.62%
1m: 83.30% / 84.74% / −1.44%
3m: 8.69% / 14.5% / −5.81%
6m: 7.54% / 9.93% / −2.39%
1y: 76.80% / 76.93% / −0.13%

## SHARE OF SUBSCRIPTIONS BY PLAN DURATION



Legend: Utilities | All Categories | Difference

1w: 38.20% / 25.75% / 12.45%
1m: 24.70% / 28.02% / −3.32%
3m: 0.37% / 1.33% / −0.96%
6m: 0.24% / 0.53% / −0.29%
1y: 36.49% / 44.37% / −7.87%

**TRIAL STRATEGY**

**TRIAL DURATION, AS A SHARE OF SUBSCRIPTIONS**



Left chart (Trial Strategy):
- Trial only: Utilities 23.12%, All Categories 28.81%, Difference −5.69%
- No trial only: Utilities 30.55%, All Categories 28.81%, Difference 1.74%
- Mixed: Utilities 46.33%, All Categories 47.84%, Difference −1.51%

Right chart (Trial Duration, as a share of subscriptions):
- <= 4 days: Utilities 62.18%, All Categories 40.34%, Difference 21.84%
- 5–9 days: Utilities 32.32%, All Categories 44.64%, Difference −12.32%
- 0–16 days: Utilities 2.60%, All Categories 8.13%, Difference −5.53%
- 17–32 days: Utilities 2.90%, All Categories 6.89%, Difference −3.99%

Legend: Utilities, All Categories, Difference

## TRIAL START RATE

Legend: Utilities (blue), All Categories (red), Difference (yellow)

- Lower q: Utilities 1.74%, All Categories 2.28%, Difference −0.33%
- Median q: Utilities 4.81%, All Categories 5.26%, Difference −0.13%
- Upper q: Utilities 9.83%, All Categories 10.47%, Difference −$0.03%

## TIME TO TRIAL START

Legend: Utilities (blue), All Categories (red), Difference (yellow)

- Day 0: Utilities 86.01%, All Categories 80.05%, Difference 5.96%
- 1–3: Utilities 3.04%, All Categories 4.69%, Difference −1.65%
- 4–7: Utilities 1.29%, All Categories 1.86%, Difference −0.57%
- 8–14: Utilities 1.23%, All Categories 1.66%, Difference −0.43%
- 15–30: Utilities 1.62%, All Categories 2.04%, Difference −0.42%
- 31–100: Utilities 3.02%, All Categories 3.84%, Difference −0.82%
- 101–365: Utilities 3.78%, All Categories 5.87%, Difference −2.09%

## TRIAL CONVERSION RATE

Legend: Utilities (blue), All Categories (red), Difference (yellow)

- Average: Utilities 35.06%, All Categories 37.30%, Difference −2.24%
- Lower q: Utilities 22.90%, All Categories 24.10%, Difference −1.20%
- Median q: Utilities 37.00%, All Categories 37.90%, Difference −0.90%
- Upper q: Utilities 55.40%, All Categories 55.60%, Difference −0.20%

## DOWNLOAD TO PAID, BY REGION

Legend: Utilities (blue), All Categories (red), Difference (yellow)

- EMEA: Utilities 1.31%, All Categories 1.45%, Difference −0.14%
- Japan: Utilities 2.03%, All Categories 2.06%, Difference −0.03%
- NA: Utilities 5.23%, All Categories 4.39%, Difference 0.84%
- ROW: Utilities 1.14%, All Categories 0.91%, Difference 0.23%
- South Korea: Utilities 1.39%, All Categories 2.07%, Difference −0.68%
- All Locations: Utilities 1.84%, All Categories 1.73%, Difference 0.11%

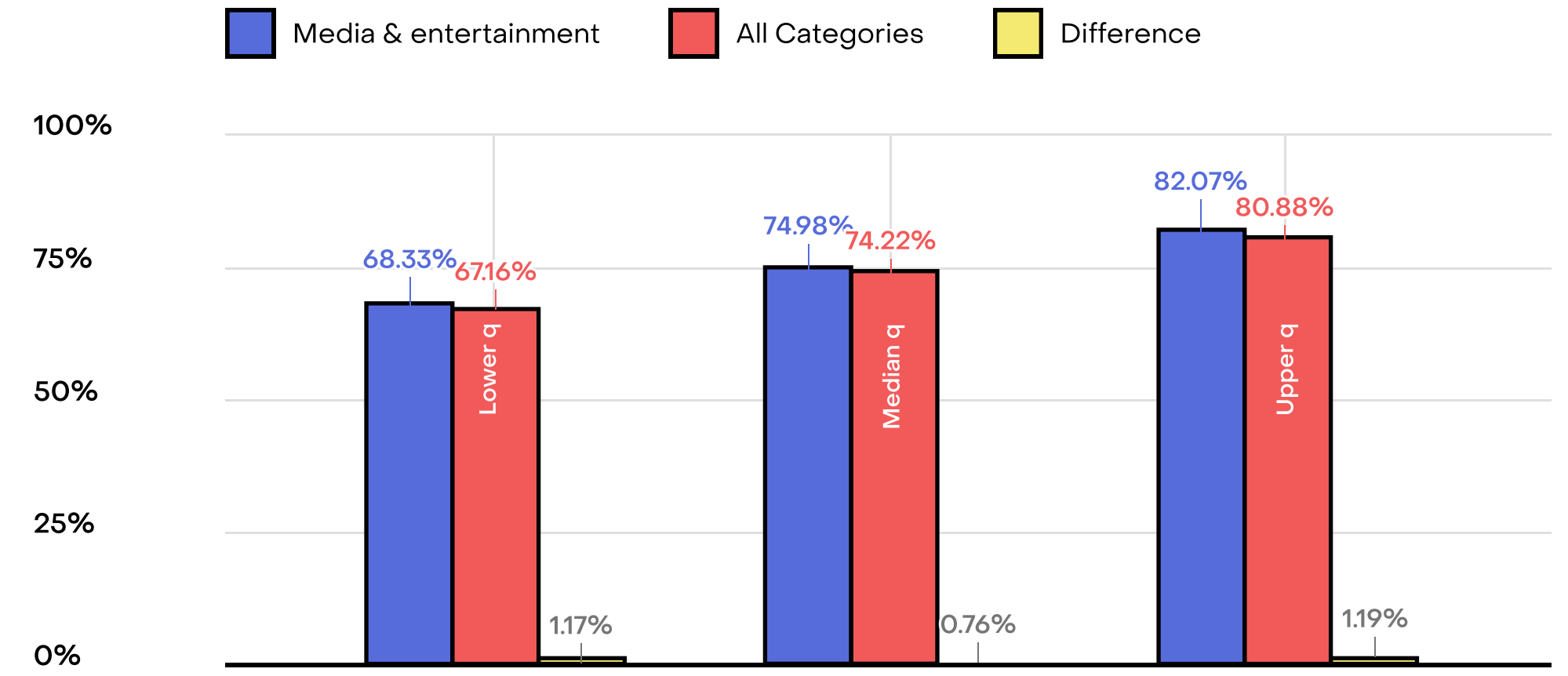## REALIZED DAY 14 AND DAY 60 LTV, BY STORE



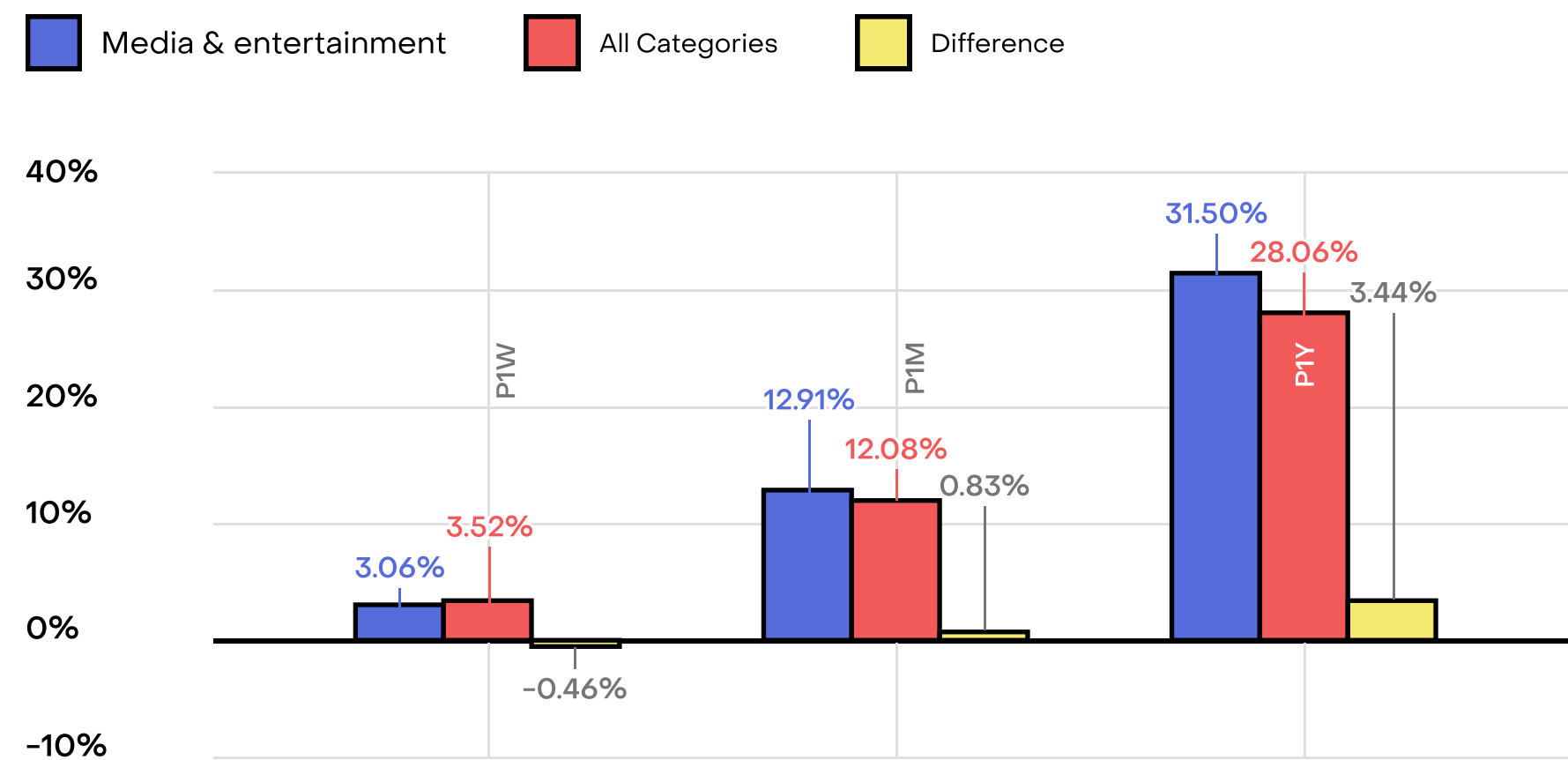## D14 RLTV, BY REGION



## D60 RLTV, BY REGION
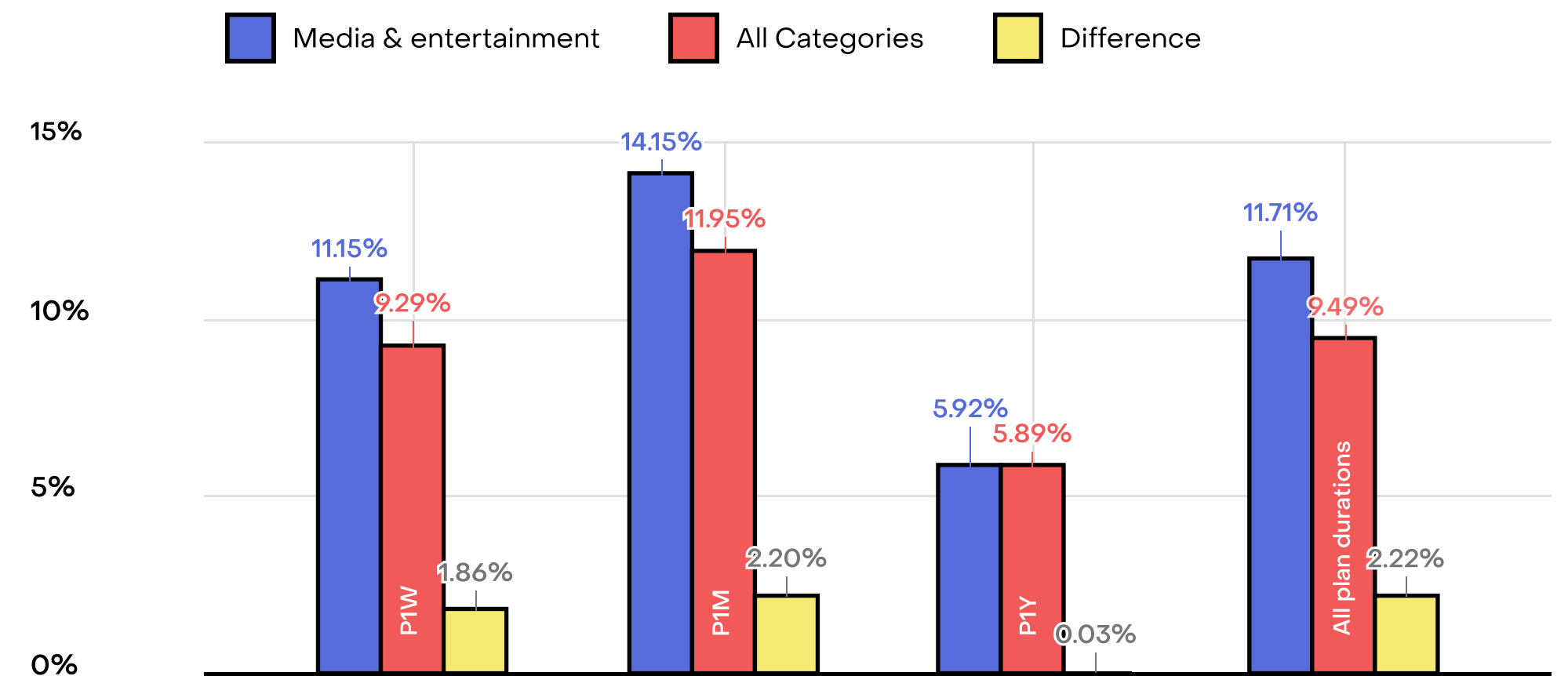
## 1ST RENEWAL RATE



## 2ND RENEWAL RATE



## YEAR 1 RETENTION, BY PLAN DURATION



## 12M REACTIVATION RATE, BY PLAN DURATION

## MILESTONE HIT RATE
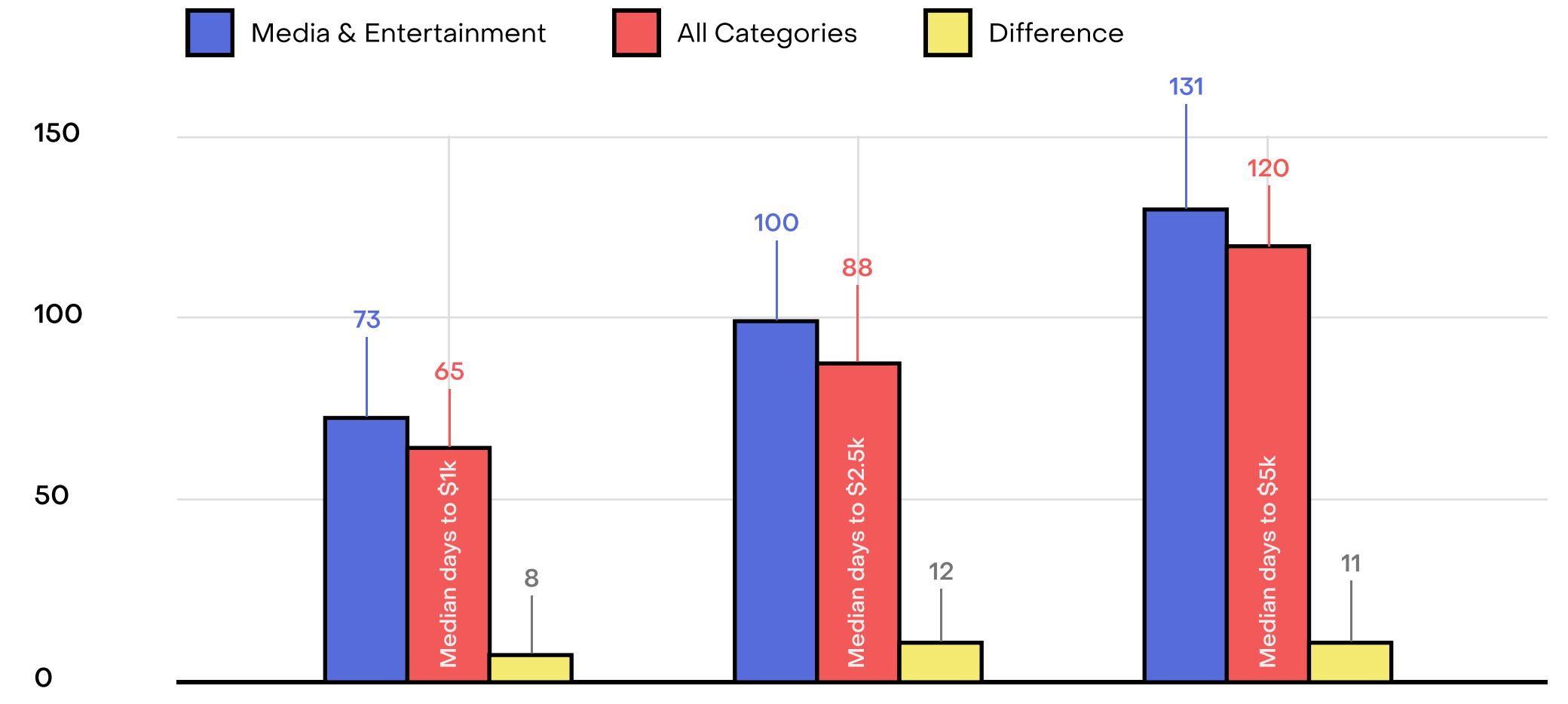


**Legend:** Utilities | All Categories | Difference

| | $1k MTR | $2.5k MTR | $5k MTR | $10k MTR | $25k MTR |
|---|---|---|---|---|---|
| Utilities | 15.33% | 8.37% | 4.54% | 1.85% | 0.64% |
| All Categories | 17.24% | 10.28% | 6.29% | 3.51% | 1.51% |
| Difference | −1.91% | −1.91% | −1.75% | −1.66% | −0.87% |

## TIME TO GOAL



**Legend:** Utilities | All Categories | Difference

| | Median days to 1k | Median days to 2.5k | Median days to 5k |
|---|---|---|---|
| Utilities | 84 | 144 | 158 |
| All Categories | 65 | 88 | 120 |
| Difference | 19 | 56 | 38 |

## MONTHLY REVENUE AT THE END OF YEAR 1



**Legend:** Utilities | All Categories | Difference

| | Lower q | Median q | Upper q | Q90 | Q95 |
|---|---|---|---|---|---|
| Utilities | $8.81 | $36.96 | $174.02 | $790.14 | $1,596.1 |
| All Categories | $11.71 | $48.29 | $223.2 | $970.95 | $2,352.38 |
| Difference | −$2.9 | −$11.33 | −$49.18 | −$180.81 | −$756.28 |

# Social & Lifestyle

## MOST POPULAR PRICE POINTS

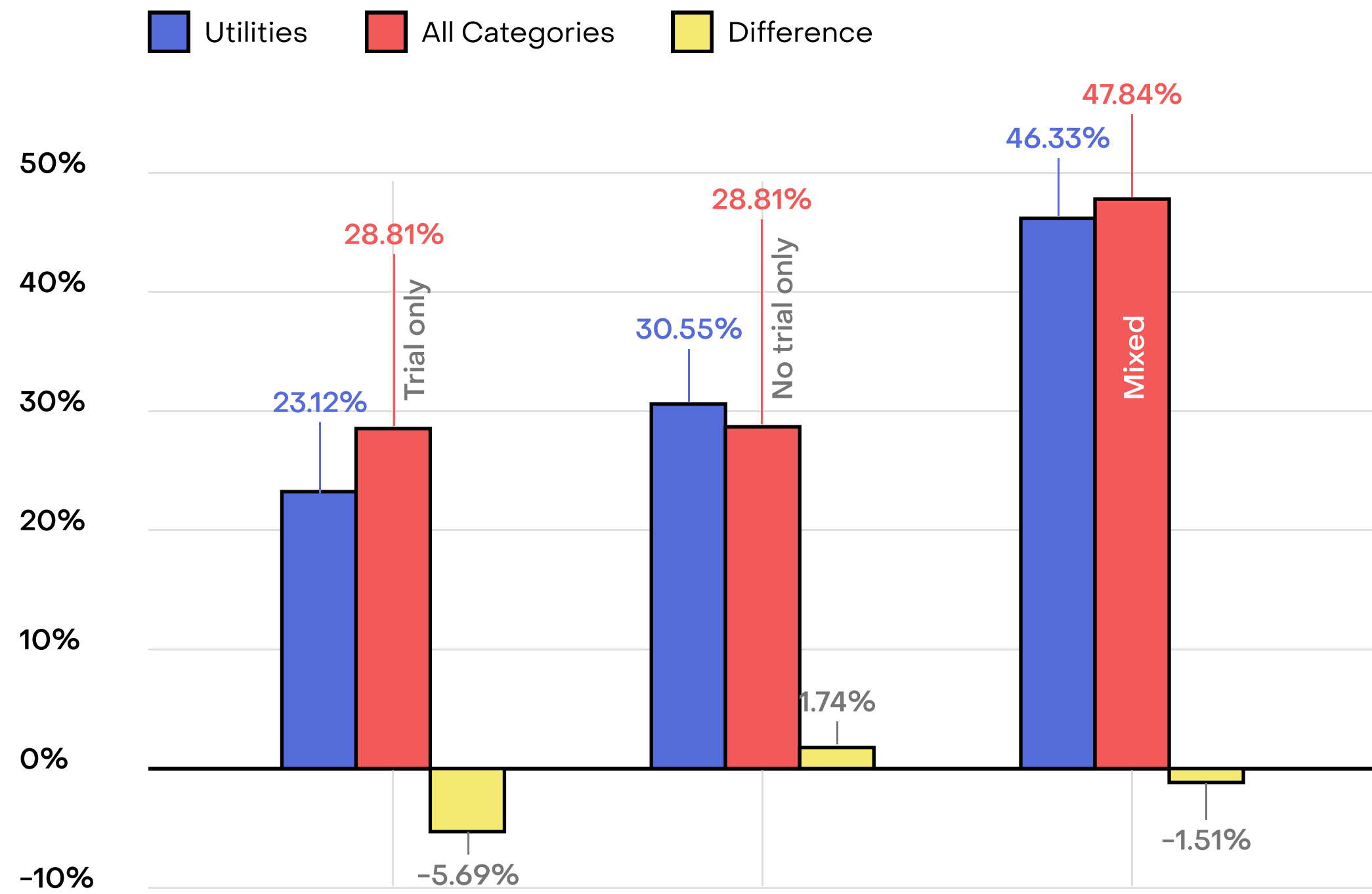| | Social & lifestyle | All Categories |
|---|---|---|
| Weekly – most common | $ 4.99 | $ 4.99 |
| Monthly– most common | $ 9.99 | $ 9.99 |
| Yearly – most common | $ 29.99 | $ 29.99 |

## AVERAGE PRICE POINTS
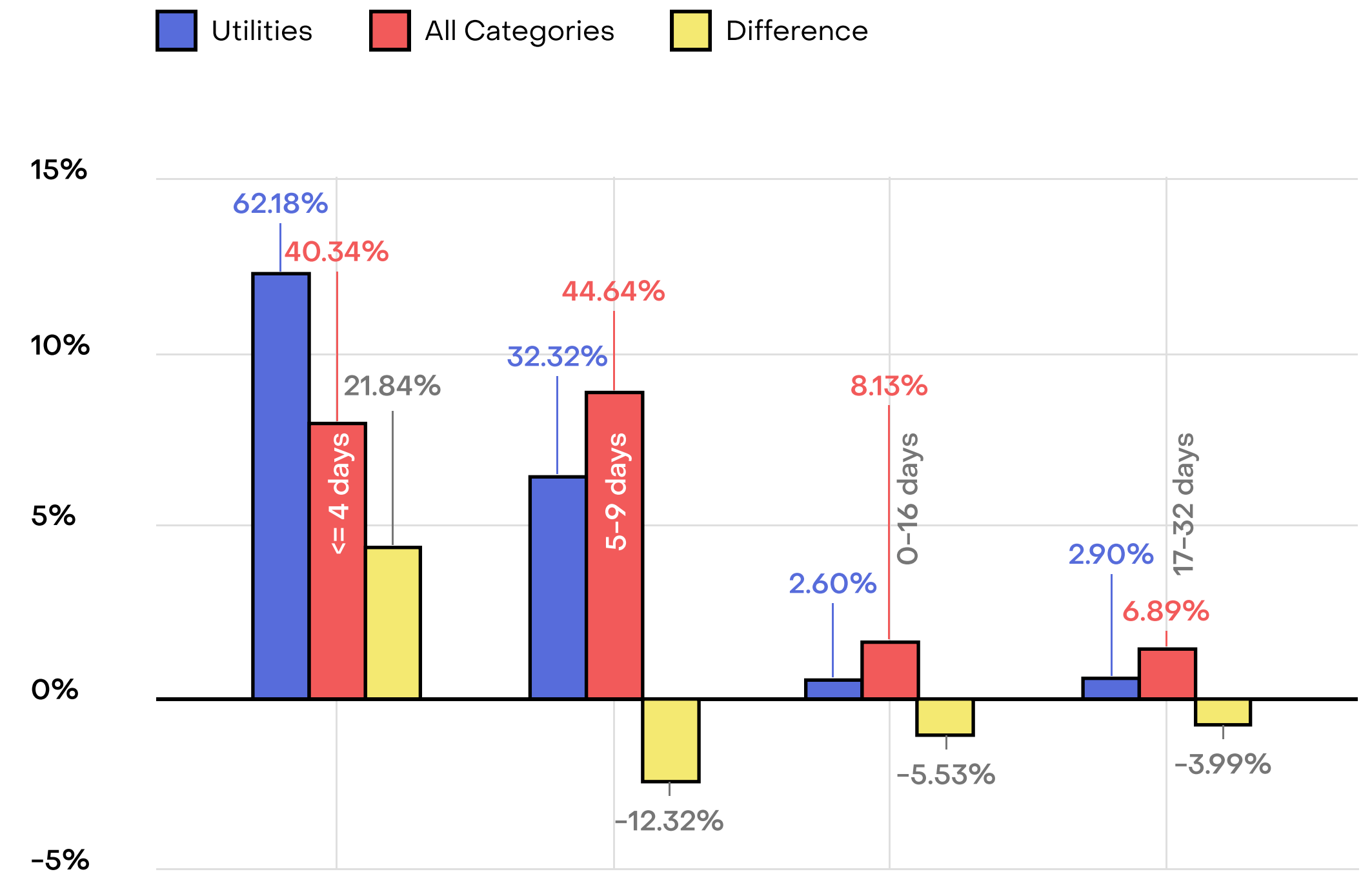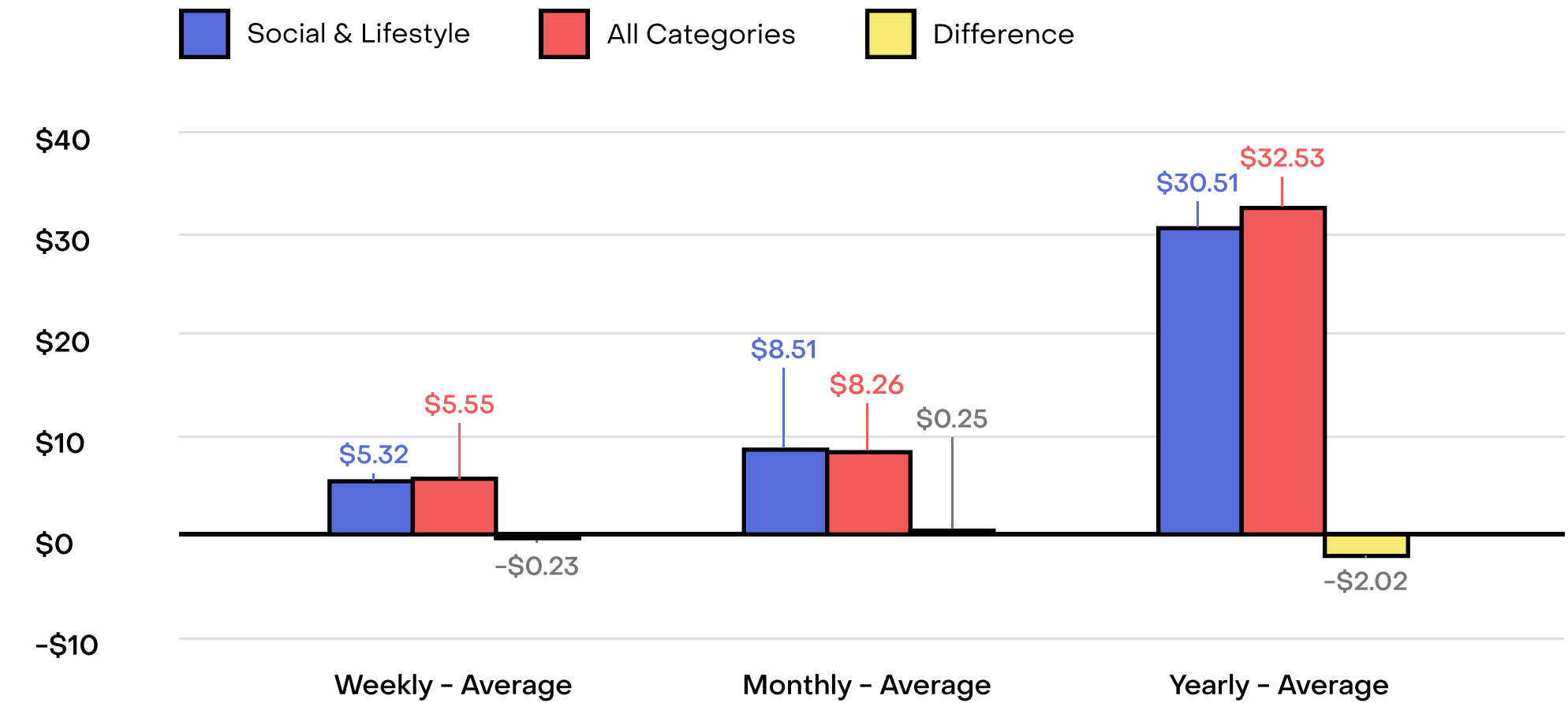


## SHARE OF APPS OFFERING SPECIFIC PLAN DURATIONS
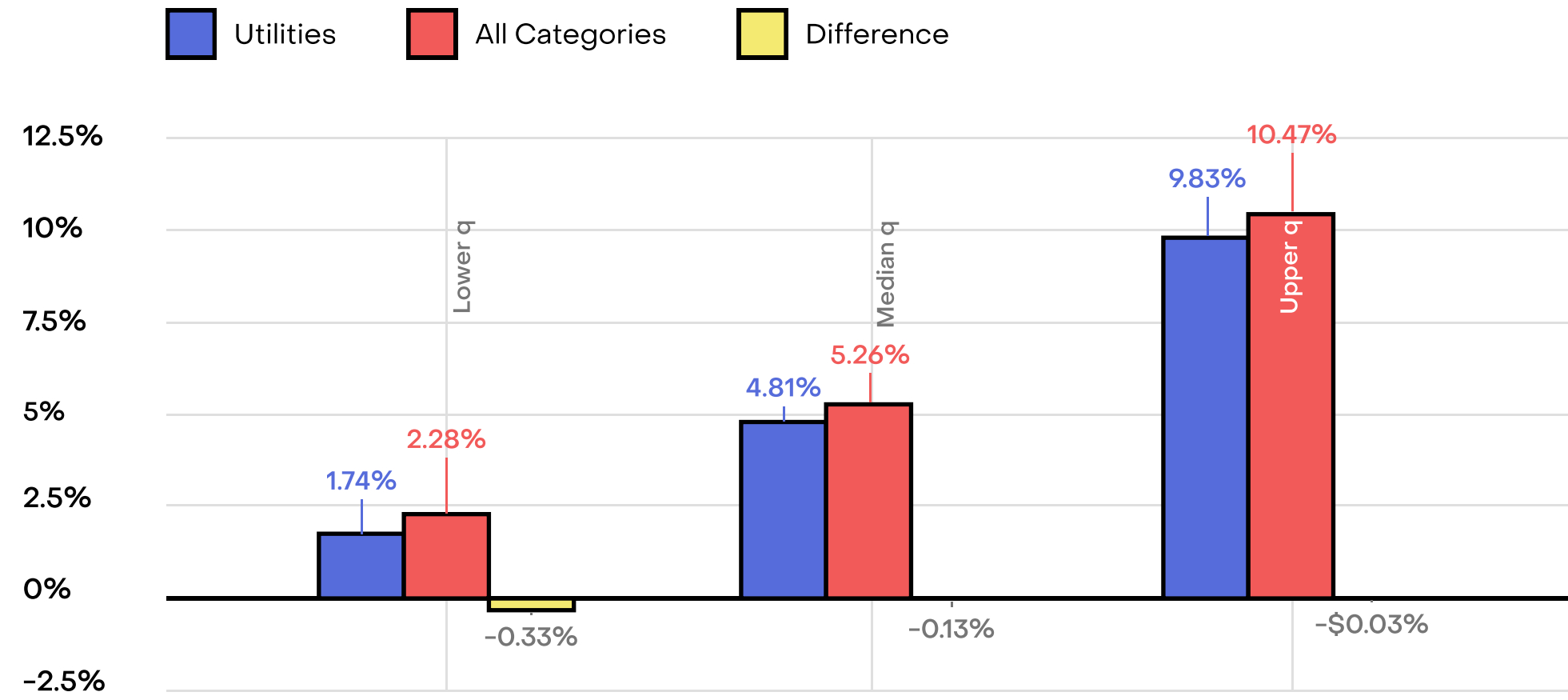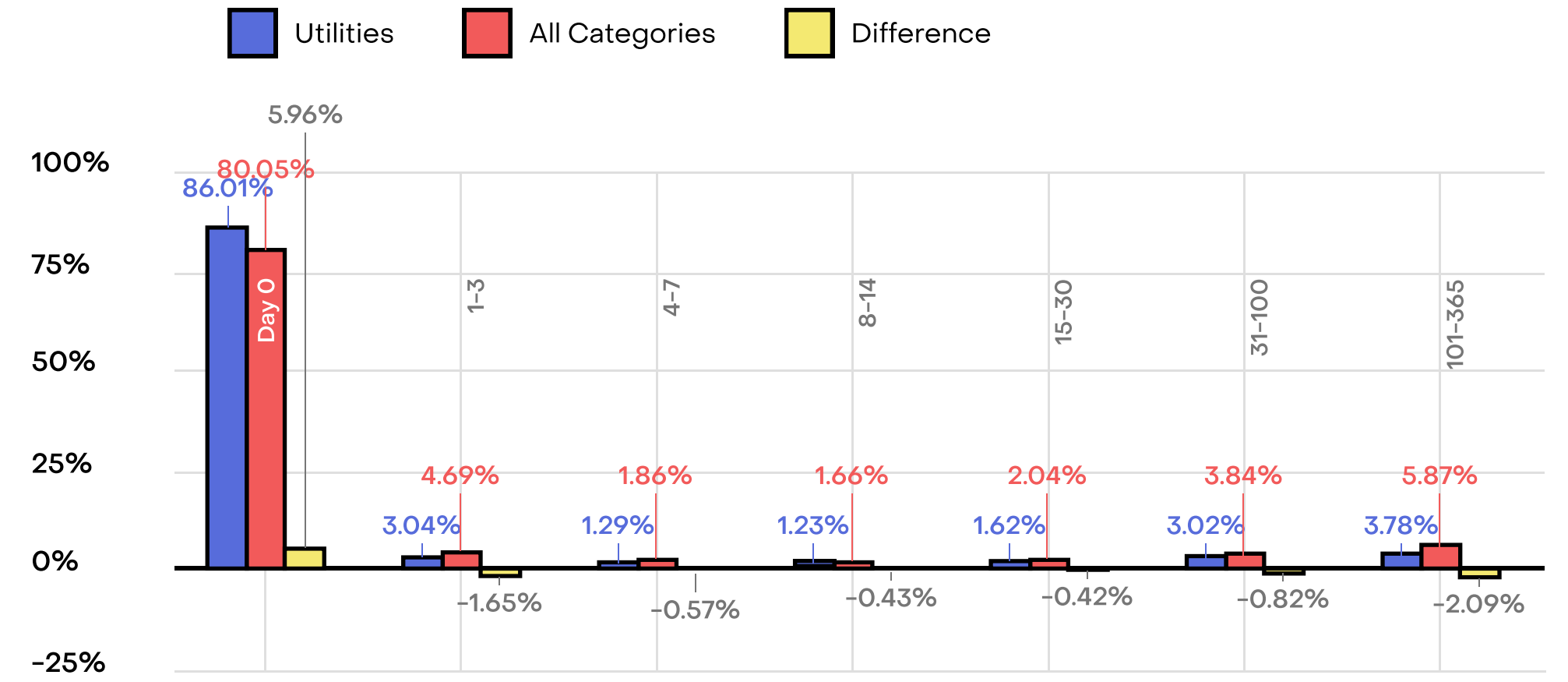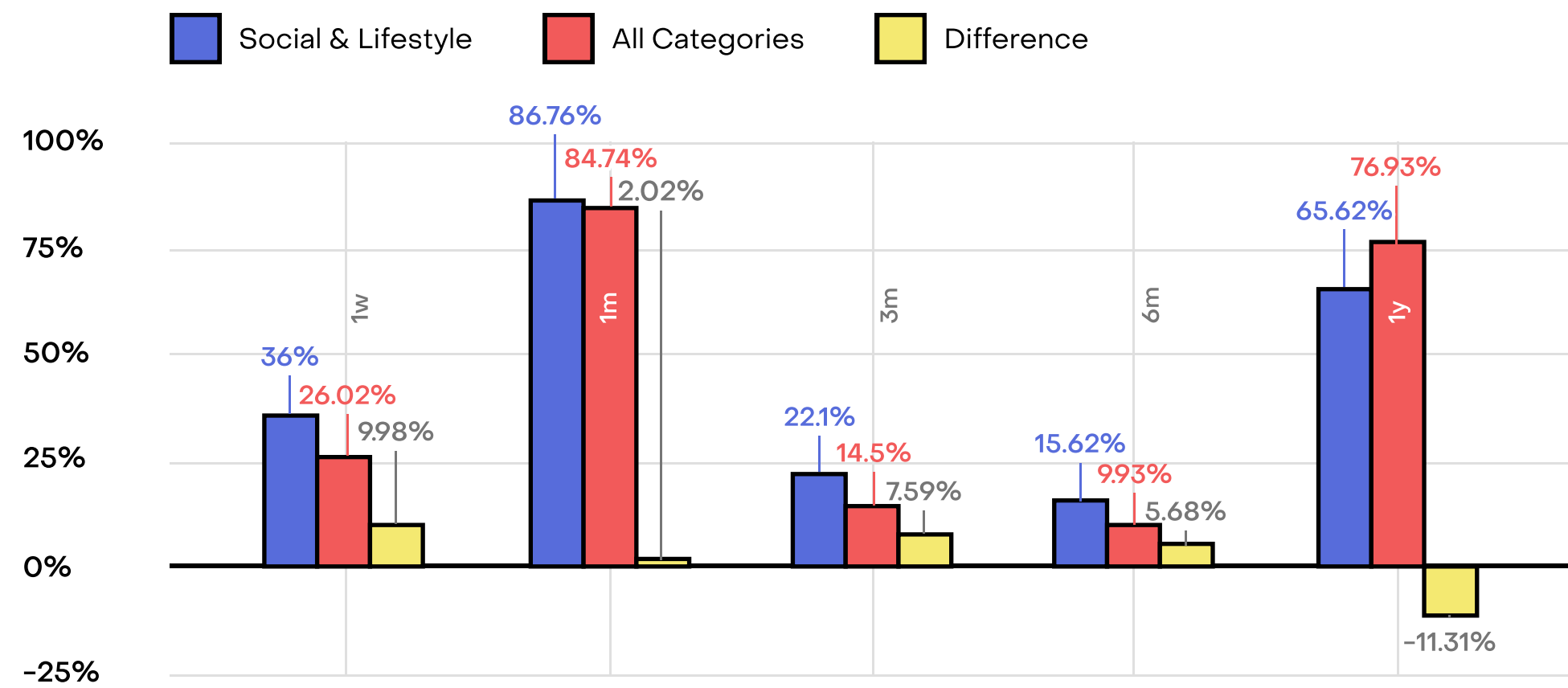


## SHARE OF SUBSCRIPTIONS BY PLAN DURATION

## TRIAL STRATEGY

## TRIAL DURATION, AS A SHARE OF SUBSCRIPTIONS

## TRIAL START RATE

Social & Lifestyle | All Categories | Difference

Lower q: 2.1% / 2.28% / −0.03%
Median: 4.67% / 5.26% / −0.24%
Upper q: 9.69% / 10.47% / −0.15%

## TIME TO TRIAL START

Social & Lifestyle | All Categories | Difference

day 0: 80.69% / 80.05% / .64%
1-3: 4.14% / 4.69% / −0.51%
4-7: 2.0% / 1.86% / 0.16%
8-14: 1.74% / 1.66% / 0.08%
15-30: 2.23% / 2.04% / 0.19%
31-100: 4.68% / 3.84% / 0.84%
101-365: 4.45% / 5.87% / −1.41

## TRIAL CONVERSION RATE

Social & Lifestyle | All Categories | Difference

Average: 35.41% / 37.30% / −1.89%
Lower q: 20.90% / 24.10% / −3.20%
Median: 35.80% / 37.90% / −2.10%
Upper q: 53.30% / 55.60% / −2.30%

## DOWNLOAD TO PAID, BY REGION

Social & Lifestyle | All Categories | Difference

EMEA: 0.99% / 1.45% / −0.46%
Japan: 2.14% / 2.06% / 0.08%
NA: 2.95% / 4.39% / −1.44%
ROW: 0.86% / 0.91% / −0.05%
South Korea: 2.32% / 2.07% / 0.25%
All Locations: 1.3% / 1.73% / −0.43%

# SOCIAL & LIFESTYLE — MONETIZATION
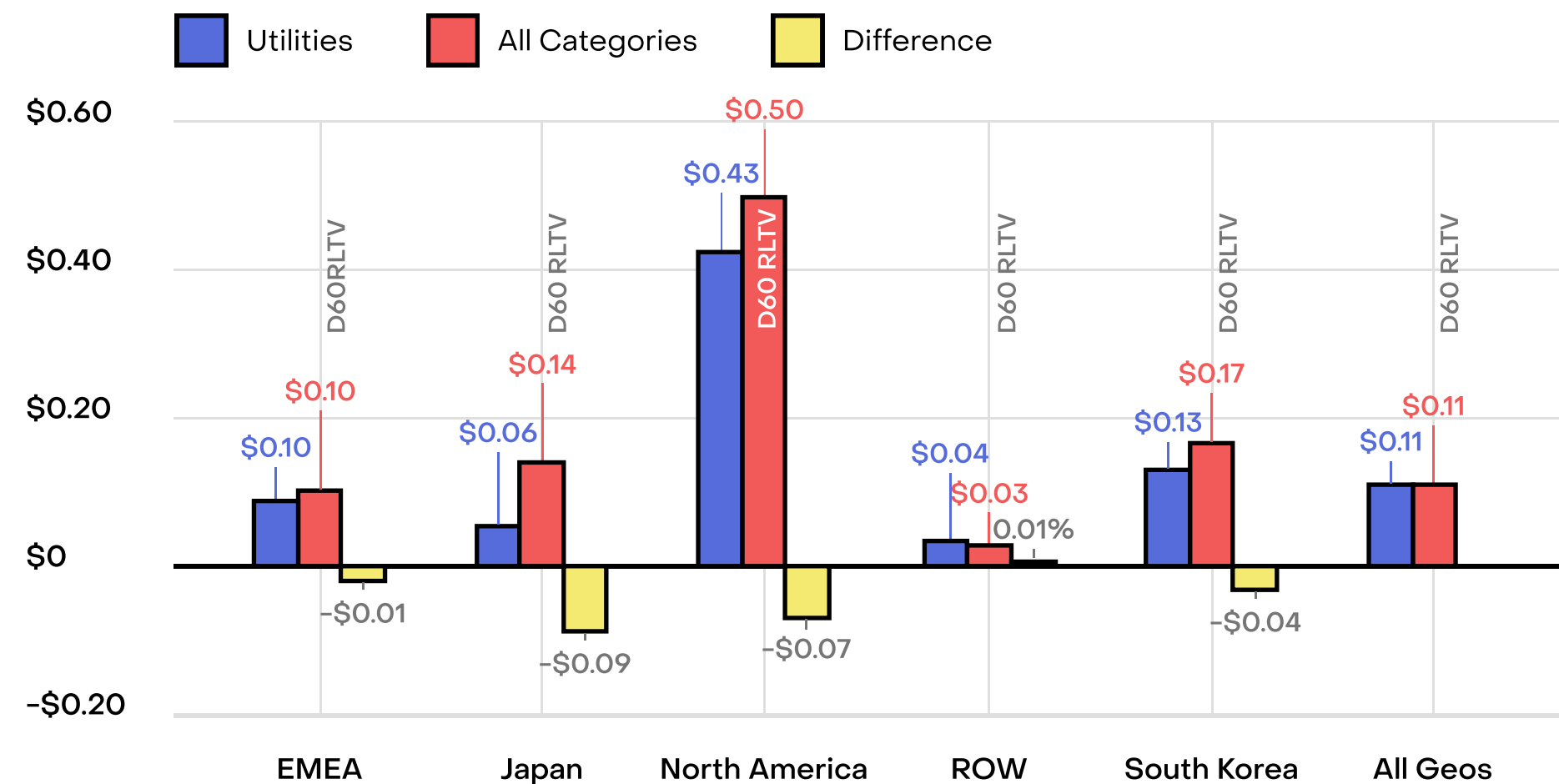


**REALIZED DAY 14 AND DAY 60 LTV, BY STORE**

**D14 RLTV, BY REGION**

**D60 RLTV, BY REGION**

# SOCIAL & LIFESTYLE — RETENTION



## 1ST RENEWAL RATE

Social & Lifestyle — All Categories — Difference

- Lower q: 35.37% / 49.37% / −13.8%
- Median: 49.16% / 60.65% / −11.49%
- Upper q: 64.41% / 71.29% / −6.88%

## 2ND RENEWAL RATE

Social & Lifestyle — All Categories — Difference

- Lower q: 62.04% / 67.16% / −5.12%
- Median q: 70.21% / 74.22% / −4.01%
- Upper q: 77.82% / 80.88% / −3.06%

## YEAR 1 RETENTION, BY PLAN DURATION

Social & Lifestyle — All Categories — Difference

- P1W: 2.28% / 3.52% / −1.24%
- P1M: 5.68% / 12.08% / −6.4%
- P1Y: 29.33% / 28.06% / 1.27%

## 12M REACTIVATION RATE, BY PLAN DURATION

Social & Lifestyle — All Categories — Difference

- P1W: 10.56% / 9.29% / 1.27%
- P1M: 11.34% / 11.95% / −0.61%
- P1Y: 8.34% / 5.89% / 2.45%
- All plan durations: 10.72% / 9.49% / 1.23%

## MILESTONE HIT RATE

Legend: Social & Lifestyle · All Categories · Difference



- $1k MTR: 18.99% / 17.24% / 1.75%
- $2.5k MTR: 11.82% / 10.28% / 1.54%
- $5k MTR: 7.42% / 6.29% / 1.13%
- $10k MTR: 4.53% / 3.51% / 1.02%
- $25k MTR: 2.26% / 1.51% / 0.75%

## TIME TO GOAL

Legend: Social & Lifestyle · All Categories · Difference



- Median days to 1k: 70 / 65 / 5
- Median days to 2.5k: 105 / 88 / 17
- Median days to 5k: 111 / 120 / −9

## MONTHLY REVENUE AT THE END OF YEAR 1

Legend: Social & Lifestyle · All Categories · Difference



- Lower q: $13.58 / $11.71 / $1.87
- Median: $56.4 / $48.29 / $8.11
- Upper q: $253.44 / $223.2 / $30.24
- Q90: $1,268.96 / $970.95 / $298.01
- Q90: $2,679.31 / $2,352.38 / $416.93

# Education

## MOST POPULAR PRICE POINTS

|  | Education | All Categories |
|---|---|---|
| Weekly – most common | $ 6.99 | $ 4.99 |
| Monthly– most common | $ 9.99 | $ 9.99 |
| Yearly – most common | $ 59.99 | $ 29.99 |

## AVERAGE PRICE POINTS



Education • All Categories • Difference

Weekly – Average: $6.1, $5.55, $0.55
Monthly – Average: $8.13, $8.26, –$0.13
Yearly – Average: $56.09, $32.53, $23.56

## SHARE OF APPS OFFERING SPECIFIC PLAN DURATIONS



Education • All Categories • Difference

1w: 14.74%, 26.02%, –11.27%
1m: 92.09%, 84.74%, 7.35%
3m: 22.54%, 14.5%, 8.04%
6m: 17.95%, 9.93%, 8.01%
1y: 77.46%, 76.93%, 0.53%

## SHARE OF SUBSCRIPTIONS BY PLAN DURATION



Education • All Categories • Difference

1w: 4.41%, 25.75%, –21.34%
1m: 32.49%, 28.02%, 4.46%
3m: 1.58%, 1.33%, 0.25%
6m: 2.54%, 0.53%, 2.01%
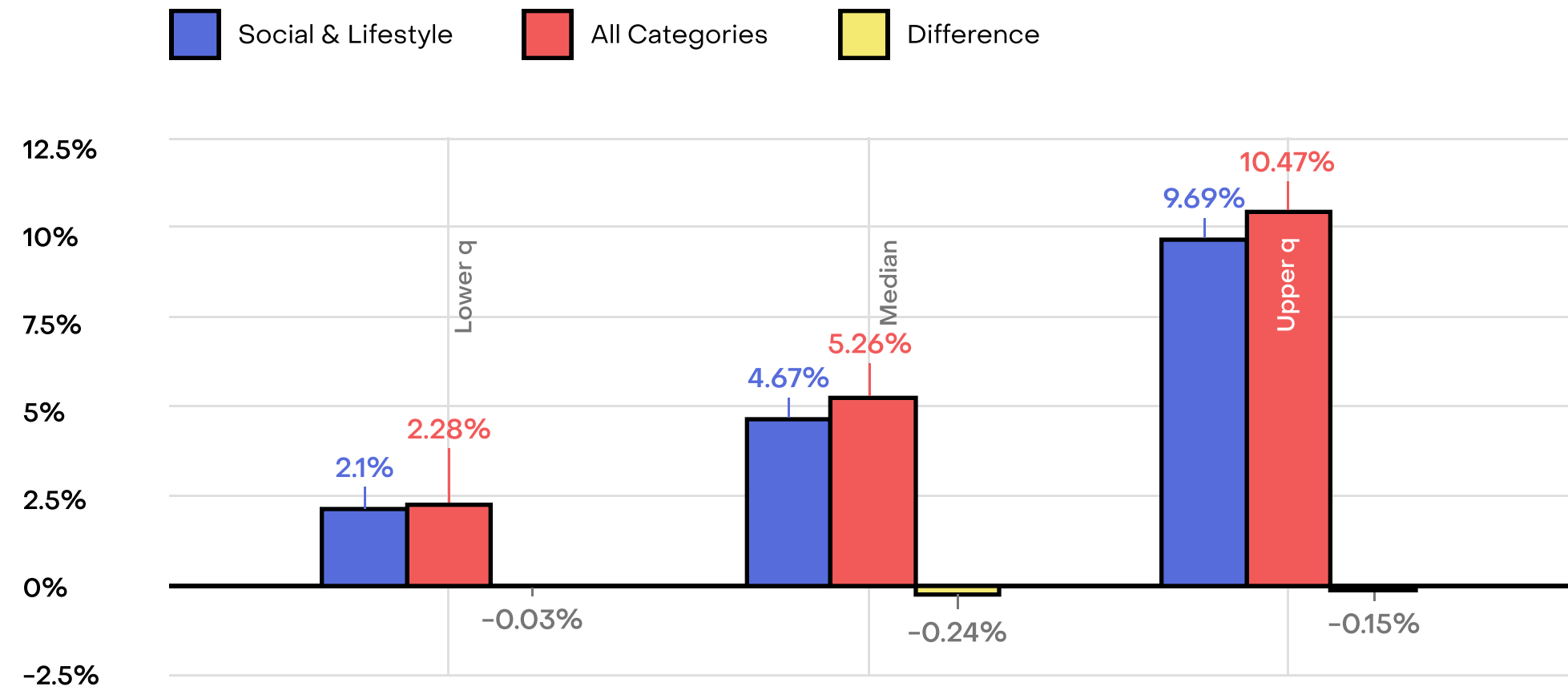1y: 58.98%, 44.37%, 14.62%

## TRIAL STRATEGY



## TRIAL DURATION, AS A SHARE OF SUBSCRIPTIONS

## TRIAL START RATE

Legend: Education, All Categories, Difference

**Lower q**
- Education: 2.73%
- All Categories: 2.28%
- Difference: 0.5%

**Median**
- Education: 5.82%
- All Categories: 5.26%
- Difference: 0.72%

**Upper q**
- Education: 11.59%
- All Categories: 10.47%
- Difference: 1.43%

## TIME TO TRIAL START

Legend: Education, All Categories, Difference

**day**
- Education: 72.23%
- All Categories: 80.05%
- Difference: −4.82%

**1–3**
- Education: 6.24%
- All Categories: 4.69%
- Difference: 1.55%

**4–7**
- Education: 2.65%
- All Categories: 1.86%
- Difference: 0.79%

**8–14**
- Education: 2.21%
- All Categories: 1.66%
- Difference: 0.55%

**15–30**
- Education: 2.5%
- All Categories: 2.04%
- Difference: 0.46%

**31–100**
- Education: 3.89%
- All Categories: 3.84%
- Difference: 0.05%

**101–365**
- Education: 7.29%
- All Categories: 5.87%
- Difference: 1.42%

## TRIAL CONVERSION RATE

Legend: Education, All Categories, Difference

**Average**
- Education: 46.12%
- All Categories: 37.3%
- Difference: 8.82%

**Lower q**
- Education: 28.3%
- All Categories: 24.1%
- Difference: 4.2%

**Median**
- Education: 40.2%
- All Categories: 37.9%
- Difference: 2.3%

**Upper q**
- Education: 72.23%
- All Categories: 2.23%
- Difference: −0.5%

## DOWNLOAD TO PAID, BY REGION

Legend: Education, All Categories, Difference

**EMEA**
- Education: 1.42%
- All Categories: 1.45%
- Difference: −0.03%

**Japan**
- Education: 5.69%
- All Categories: 2.06%
- Difference: 3.63%

**NA**
- Education: 7.13%
- All Categories: 4.39%
- Difference: 2.74%

**ROW**
- Education: 0.52%
- All Categories: 0.91%
- Difference: −0.39%

**South Korea**
- Education: 10.74%
- All Categories: 2.07%
- Difference: 8.67%

**All Locations**
- Education: 1.72%
- All Categories: 1.73%
- Difference: −0.01%

# EDUCATION — MONETIZATION

## REALIZED DAY 14 AND DAY 60 LTV, BY STORE



Legend: Education, All Categories, Difference

App Store: Education $0.29, All Categories $0.25, Difference $0.04
(Second App Store group): Education $0.43, All Categories $0.36, Difference $0.08
Play Store: Education $0.02, All Categories $0.04, Difference −$0.02
(Second Play Store group): Education $0.03, All Categories $0.06, Difference −$0.03

## D14 RLTV, BY REGION



Legend: Education, All Categories, Difference

EMEA: Education $0.05, All Categories $0.07, Difference −$0.02
Japan: Education $0.16, All Categories $0.09, Difference $0.07
North America: Education $0.39, All Categories $0.35, Difference $0.04
ROW: Education $0.01, All Categories $0.02, Difference −$0.01
South Korea: Education $0.2, All Categories $0.11, Difference $0.09
All Geos: Education $0.04, All Categories $0.07, Difference −$0.03

## D60 RLTV, BY REGION



Legend: Education, All Categories, Difference

EMEA: Education $0.07, All Categories $0.1, Difference −$0.03
Japan: Education $0.26, All Categories $0.14, Difference $0.12
North America: Education $0.55, All Categories $0.5, Difference $0.05
ROW: Education $0.02, All Categories $0.03, Difference −$0.01
South Korea: Education $0.24, All Categories $0.17, Difference $0.07
All Geos: Education $0.06, All Categories $0.11, Difference −$0.05

## 1ST RENEWAL RATE



- Education
- All Categories
- Difference

Lower q: Education 50.1%, All Categories 49.37%, Difference 0.73%
Median: Education 57.92%, All Categories 60.65%, Difference −2.73%
Upper q: Education 67.16%, All Categories 71.29%, Difference −4.13%

## 2ND RENEWAL RATE



- Education
- All Categories
- Difference

Lower q: Education 63.22%, All Categories 67.16%, Difference −3.94%
Median: Education 70.96%, All Categories 74.22%, Difference −3.26%
Upper q: Education 77.27%, All Categories 80.88%, Difference −3.61%

## YEAR 1 RETENTION, BY PLAN DURATION



- Education
- All Categories
- Difference

P1W: Education 2.53%, All Categories 3.52%, Difference −0.99%
P1M: Education 14.3%, All Categories 12.08%, Difference 2.22%
P1Y: Education 28.68%, All Categories 28.06%, Difference 0.62%

## 12M REACTIVATION RATE, BY PLAN DURATION



- Education
- All Categories
- Difference

P1W: Education 4.65%, All Categories 9.29%, Difference −4.64%
P1M: Education 14.66%, All Categories 11.95%, Difference 2.71%
P1Y: Education 7.04%, All Categories 5.89%, Difference 1.15%
All plan durations: Education 11.56%, All Categories 9.49%, Difference 2.07%

# EDUCATION — GROWTH RATE

## MILESTONE HIT RATE



Legend: Education | All Categories | Difference

- $1k MTR: Education 14.59%, All Categories 17.24%, Difference −2.65%
- $2.5k MTR: Education 8.25%, All Categories 10.28%, Difference −2.03%
- $5k MTR: Education 4.7%, All Categories 6.29%, Difference −1.59%
- $10k MTR: Education 2.79%, All Categories 6.51%, Difference −0.72%
- $25k MTR: Education 0.89%, All Categories 1.51%, Difference −0.62%

## TIME TO GOAL



Legend: Education | All Categories | Difference

- Median days to 1k: Education 111, All Categories 65, Difference 46
- Median days to 2.5k: Education 210, All Categories 88, Difference 122
- Median days to 5k: Education 267, All Categories 120, Difference 147

## MONTHLY REVENUE AT THE END OF YEAR 1



Legend: Education | All Categories | Difference

- Lower q: Education $11.75, All Categories $11.71, Difference $0.04
- Median q: Education $43.91, All Categories $48.29, Difference −$4.38
- Upper q: Education $170.11, All Categories $223.2, Difference −$53.09
- Q90: Education $814.44, All Categories $970.95, Difference −$156.51
- Q95: Education $1,786.81, All Categories $2,352.38, Difference −$565.57

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