Research Report

The State of
Consumer App Habits
2020

Global App Testing

There's no doubt that consumer habits are changing in 2020.

The coronavirus pandemic has pushed many to stay safe at home, meaning less time spent out in shops, bars and restaurants and more time spent inside.

And the way we spend is changing too.

Shopping apps are frequently used for clothing purchases, fitness apps have replaced gyms, banking apps are the norm and electronics are being ordered to our front doors.

According to Deloitte, 36% of consumers surveyed in August intended to buy their clothes and shoes online in the future. This uptake in intent for online purchases also applied to books and electronics.

Another recent survey found that 60% of 18- to 24-year-olds are increasing their use of online delivery services for takeaway food and drinks.

These key shifts in patterns show that the app market will only grow in the coming years, as consumers turn to their smartphones for their purchasing needs. In fact, by 2023, mobile apps are projected to generate over $9935 billion through paid downloads and in-app advertising.

With this rapidly increasing market, it's important to stay on track of trending patterns when it comes to the way consumers interact with apps.

At Global App Testing, we wanted to see whether changing consumer behaviours have had an impact on mobile app usage, and what the state of consumer app habits is in 2020.

Our original research, **'The State of Consumer App Habits'**, does just that.

Methodology

Our report focuses on two key consumer groups in the market today: Gen Z and Millennials.

We collected 215 responses from Gen Z individuals between 18 and 24 in age and 217 responses from Millennials aged 25-39. All respondents are based in the US with varying household incomes, from the $0-$9,999 bracket to $200,000+. This wide range of income was chosen to reflect consumer preferences from a variety of socio-economic backgrounds.

Responses were close to 50/50 split female to male, with the majority (69%) answering the survey on an iOS phone or tablet and 24% using an Android phone or tablet.

Respondents undertook a 7-part survey inquiring about their app habits, including an open question about the impact the COVID-19 pandemic has had on mobile app usage.
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Top trends in consumer app habits

The differences between Gen Z and Millennials

Gen Z are downloading more apps

The Apple App Store at present has 2.2 million apps available to download. And there are 2.8 million available on Google Play. It's clear that consumers have plenty to choose from when it comes to what to download.

The market may be huge, but who is downloading these apps, and at what rate?

57% of Gen Z app users download 1-5 apps per month, compared to 54% of Millennials

And **6% of Gen Z app users download 10 or more apps per month, compared to just 3% of Millennials**

Gen Z is downloading more apps on average per month than Millennials. Given the fact that Gen Z has used the internet from a very young age, their mobile-first mindset makes them the ideal market for software development.

However, both groups are still regularly downloading apps each and every month.

And at the top end of the spectrum, **Gen Zs are twice as likely to download 10 apps or more per month.** Again, this willingness to download new apps makes them an ideal customer in today's market.

Millennials have a lower tolerance for poor-quality apps.

But there is also a key difference between the two groups when it comes to tolerance of software issues.

Over a third of Millennial smartphone users delete an app when they encounter a software glitch or bug.

Millennials value the quality of apps more than Gen Z users. When faced with a software bug, the majority (36%) of Millennials said that they would typically delete an app straight away, whereas Gen Z said they would report the issue instead.

This low tolerance for poor quality is indicative of the market today.

With so many apps on offer for consumers, there is no need to stick around if a product doesn't meet their immediate needs.

Top trends in consumer app habits

The differences between Gen Z and Millennials

Gen Z will let you know if there is an issue

Gen Z, however, is more inclined to report the issue rather than delete an app outright.

32% of Gen Z users would report the issue if they encountered a software glitch in an app

This slightly higher tolerance of software bugs shows Gen Z users to be more forgiving when it comes to the app market.

"Across both Gen Z and Millennial users, quality is crucial. While Gen Z may report an issue first rather than delete the app outright, there's no stopping them from losing faith in your app further down the line. We can't risk churn, for any user base.

Nicholas Roberts, Marketing Director at Global App Testing

But there are also many key common trends across both groups.

Let's jump into them.

Top trends in consumer app habits

Level of consumer app usage

Apps are being deleted at a higher rate than downloaded

55% of smartphone users download 1-5 apps per month, but 76% of users delete 1-5 apps per month.

Although users are regularly downloading 1-5 apps per month, the same range of downloads are being deleted.

That means, each month, app-first companies are facing regular customer churn. With higher competition comes high expectations. After all, a large chunk of your consumer base will delete an app the second they encounter a bug.

Keeping your customers' attention and building loyalty to your app is more difficult than ever. But the demand for apps remains high.

Once you've grasped the attention of your tech-savvy consumers, the hard work begins to keep it.

COVID-19 has increased mobile app usage.

Over a third of smartphone users have increased their mobile app usage following the COVID-19 pandemic.

When asked about the impact COVID-19 has had on their mobile app usage, 35% of users said they have used their mobile apps more than usual.

> "I'm on my phone more"
>
> "It has made me use apps more frequently"
>
> "I have been on my phone a lot more"
>
> "I have downloaded more apps because of COVID"
>
> "Dramatically increased"
>
> "I use mobile apps much more now that I'm home pretty much 24/7"
>
> "I have been trying more apps"

Top trends in consumer app habits

The Quality Question

Bugs impact brands

Across both Millennials and Gen Z: quality matters.

20% of smartphone users will lose trust in a brand when they encounter a software bug.

That's a fifth of your consumer base who lose trust in your product entirely.

And when the knee-jerk reaction to a software bug is to delete an app straight away, losing trust in your entire brand does nothing to help grow your customer base.

We now live in a digital era where everything can now be done online whether you are reading the news, food shopping, making bill payments or signing up to an online event. This means that customer experience should be at the centre of every business. When a software bug is missed and reported by a customer, depending on how severe the bug is, a customer can voice their frustrations on social media, which could result in multiple scenarios. Negative feedback is always not great to hear for any businesses as this leads to customer loss. A customer would think "why would I spend time working around this issue when I can easily go to a competitor?" Personally, if I visit a website and it's taking too long to respond, rather than waiting for a new page to load, I go to a different website, which is what other users probably do as well.

Marie Drake, Principal Test Automation Engineer at News UK

Top trends in consumer app habits

The Quality Question

Bugs impact brands

Over a third (34%) of smartphone users will delete an app if they encounter a software bug.

No matter who the target audience of your app is, there are high expectations for quality. Delivering a well-tested product will help safeguard the future of your brand.

"At Bloom & Wild, customer retention has been a critical part of our success and has helped to enable the rapid growth of our business. I was really interested to read in the Global App Testing report that 20% of smartphone users will lose trust in a brand if they encounter a software bug and as many as 34% of smartphone users will delete an app if they encounter a software bug. We find our mobile app users to be our most engaged customers and this means a focus on mobile application quality is key for us, and any successful business."

Stephen Janaway, VP of Engineering at Bloom and Wild

Bugs are off putting for your users. They have high expectations and won't turn a blind eye if software quality isn't up to scratch.

And consumers don't just notice bugs in your app, they notice star ratings too...

Top trends in consumer app habits

The Quality Question

Star rating matters (a lot)

When choosing which app to download, 42% of smartphone users usually base their decision on app store rating.

In the world of TripAdvisor, Uber, and Amazon, customer reviews rule. And with the app market, this is no different.

Consumers want the gold stamp of approval from other users when deciding to download an app.

A fifth of smartphone users said they always base their decision on whether to download an app on the app store rating.

Getting an idea of the quality of an app, without having to download it beforehand, therefore, saves them time (and sometimes money too).

It's clear that, for the majority of smartphone users, star rating plays a valuable role in the decision-making process.

Only 2% of smartphone users never base their decision on whether to download an app on its app store rating.

And it's not only the case that star rating is a key pull factor. A poor star rating can actively prevent users from downloading an app too.

Over a third of smartphone users say a bad app store rating would prevent them from downloading an app.

36% of those surveyed said a poor app store rating would make them stop in their tracks when downloading an app. This factor was considered more important than price, design, and how much data the app is asking for.

The common pattern that comes up time and time again is that quality is a key driver in consumer app habits today.

Top trends in consumer app habits

The Quality Question

50% of smartphone users said the most common reason they would delete an app is that it doesn't have the functions they expected.

Functionality matters, and it needs to be tested.

If your marketing promises amazing features and mind-blowing integrations, the app needs to deliver just that.

Users have high expectations for your product, and if it doesn't meet them, customer churn is very likely.

"Product/Market fit is an alignment between customer expectations and product offering. If your product does not live up to the expectations of the customer, they will rightfully delete your app, and quickly find 5 to 10 other alternatives that meet their needs. This is why, at Soapbox, every department regularly meets with customers to make sure we are building the product our customers want so that we stay in that perfect Product/Market fit zone.""

Graham McCarthy CTO, Co-Founder at Soapbox

What Does it All Mean?

The state of consumer app habits is changing.

As the customer landscape changes and the move towards online purchasing becomes more prominent, app usage is developing too.

The rate at which apps are being downloaded remains high. Gen Z has the largest aptitude for downloading apps, but Millennials are also partial to high levels of app downloads.

What's clear among both groups is that the COVID-19 pandemic has meant more time spent on phone apps.

But consumers are also deleting a lot of apps too, suggesting that app loyalty is a dated concept, as customers have no doubts about ridding their phone of buggy apps or apps that didn't have the functions they expected.

With the app market growing at an explosive rate, tolerance for poor-quality software is low. As new apps hit the market day by day, competition is high, and there's no need for smartphone users to stick around if your product doesn't meet the mark.

And app store ratings matter too. When considering whether to download a product, app store rating plays a part. In fact, a poor app store rating could prevent a user from downloading an app altogether.

The key takeaway?

Demand for apps is high and rising. But holding the attention of smartphone users in today's consumer landscape is tricky.

You need to be delivering a quality product with best-in-class functions, every single time. Otherwise, today's consumers won't hesitate to churn

Key stats from the survey

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- 6% of Gen Z app users download 10 or more apps per month, compared to just 3% of Millennials.

- Over a third of Millennial smartphone users delete an app when they encounter a software glitch, whereas Gen Z users are more likely to report the issue instead.

- 32% of Gen Z users would report the issue if they encountered a software glitch in an app.

- 55% of smartphone users download 1-5 apps per month, but 76% of users delete 1-5 apps per month.

- Over a third of smartphone users have increased their mobile app usage following the COVID-19 pandemic.

- 20% of smartphone users will lose trust in a brand when they encounter a software bug.

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- When choosing which app to download, 42% of smartphone users usually base their decision on app store rating.

- A fifth of smartphone users said they always base their decision on whether to download an app on the app store rating.

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