The Mobile Customer Imperative

A Global Consumer Survey Report

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EXECUTIVE SUMMARY

We know that because of the pandemic, many consumers spent more time on smartphone apps — to be entertained, to connect with their friends, and to shop or perform day-to-day tasks while stuck at home. What we didn't know is how this behavior would change once restrictions started to lift and society began to return to a new normal. Or at least we didn't know, until now...

The findings of a new survey by Airship, the mobile app experience company, reveal that consumers of every age are continuing to use mobile apps extensively in their lives. This is important news for brands and marketers, as apps have become the consumers preferred destination for simple, contextual interactions, faster transactions and streamlined experiences that elegantly span their digital and physical worlds. It was only a few months into the pandemic's onset for consumers' preference for app-streamlined services like BOPIS (aka click-and-collect) to transition from safety concerns to convenience[1].

Airship's consumer survey, which was conducted among 9,143 respondents across the U.S., U.K., France, Germany, Australia, Singapore and India, shows that consumers across most industries are either using apps more or about the same since the pandemic began.

Brands now have to figure out how best to leverage the surge in app usage to more quickly capture greater business value. Thankfully, Airship's survey discovered several important insights into how brands can optimize app experience initiatives to better support customers throughout their journey.

In this report, you'll find insights on:

- The reasons consumers opt in or out of brand communications
- Consumer preferences regarding the timing and frequency of brand messages
- What personal information consumers are willing to share with brands, and for what reasons
- Why and how consumers are increasingly ignoring emails from brands
- Consumer demand to meld digital and physical experiences

[1]Source: Deloitte Global State of the Consumer Tracker, 2020

INTRODUCTION

You likely already know that mobile apps are essential to brands and customer experience today. There is extensive research that underlines the value of apps. For instance, App Annie found that consumers spent a record $32 billion on apps in the first part of 2021, up 40% on the previous year[2]. Meanwhile, according to eMarketer, app users produce 3.5x more revenue than other shoppers and are three times more likely to make a repeat purchase[3].

In addition to greater revenue potential, apps have become an essential source of first- and zero-party data (which is only becoming more crucial due to increasing global privacy and data regulations).

Third-party data is becoming ever more scarce as privacy regulations and mobile platforms make clear that consumer consent is required for gathering it. Google is planning to phase out third-party cookies on its browsers by 2023, while Apple has introduced a range of features that give users more control over their privacy and personal data. While Apple's ID for Advertisers (IDFA) allows marketers to track a user's activity across unrelated apps to better target and measure digital ad campaigns, apps are now required to ask users to allow it. As a result of this new requirement, the opt-in rate has fluctuated between 4% and 13% of Apple users opting in[4]. Airship's survey found cross-app activity is the second most least likely information that consumers want to share with brands!

Even more recently, with iOS 15, Apple now allows consumers to restrict when and how often they receive notifications, and offers anonymous email addresses, blocked email tracking pixels and hidden IP addresses. These changes are a huge win for consumer privacy, but they also mean that brands must adapt to a new customer-first era of engagement where people are becoming more selective about the information they will provide to brands. And, as we've seen in the past, where Apple goes other tech providers are likely to follow suit.

Increasingly, brands must establish a direct relationship with consumers to better understand and serve them, and create greater mutual benefit. Thanks to changing consumer behaviors highlighted by this Airship research, the best way to achieve a reciprocal value exchange is through an app.

[2]App Annie, The State of Mobile 2021

[3]eMarketer, "Frictionless Commerce," May 21, 2020

[4]AdExchanger, "ATT Opt-In Rates: The Picture So Far And The Ugly Truth Behind Why The Numbers Vary So Widely," May 10, 2021

Our research shows a strong and growing consumer preference for mobile apps, and highlights the opportunity to establish positive feedback loops between brands and customers. Brands benefit as they are better able to engage customers wherever they are, while app users benefit from sharing their preferences and affinities for more personalized service, with greater control over their data and the ability to easily shut down brands that aren't meeting their needs.

To make the most of the new customer imperative, marketers, mobile product owners, and developers must continually optimize app experiences and onboarding processes, invest in retaining users and re-evaluate in-app strategies to better engage customers while they are already focused on the brand.

A GROWING PREFERENCE FOR APPS

Most app categories are trending towards 75% of consumers using apps more or about the same since the pandemic began.

A GROWING PREFERENCE FOR APPS

Over the course of the pandemic, consumers significantly increased their use of apps. In fact, according to Airship's platform data spanning thousands of brands and tens of thousands of apps, global active app users grew by 31% in 2020, nearly double the growth rate of 2019.

But with the successful development and deployment of vaccines around the world and the gradual lifting of Covid-19 restrictions, one might wonder if this growth is this still the case? Based on our findings, the answer is a resounding yes!

Most of the app categories we asked about are trending towards 75% of survey respondents either using apps more or about the same since the pandemic began. This supports existing evidence of increased use of smartphones, personal devices and apps. For instance, Forrester Research found that "...46% of consumers report spending the same amount of time on their personal devices today as they did last year when the pandemic restrictions took effect; 39% of consumers report spending even more time on their gadgets.[5]"

Per Airship's survey, the top three industries seeing the biggest gains in app use are:

- **Social media:** 51% of respondents said they used social media apps more than before the pandemic. Social media proved essential during lockdowns, enabling users to connect to friends and family digitally.

- **Media & entertainment:** Similarly, 47% are using media and entertainment apps more than before. Getting the latest news and developments was important to many during the pandemic. Meanwhile, entertainment apps offered escapism to consumers stuck at home while in lockdown or self-isolation.

- **Retail:** With physical stores being shut due to Covid-19 restrictions, many turned to apps to buy what they wanted. Globally, 39% of consumers said they used retail mobile apps more than before the pandemic, while for 37% usage is about the same.

[5] Forrester Research, Inc., "Post-Pandemic Media Consumption: Online Streaming Accelerates A New Content Experience," June 21, 2021

Since the start of the pandemic, have you used mobile apps from your favorite brands across the following sectors more or less than before?

Legend: ■ More Than Before ■ About the Same ■ Less than Before ■ Haven't Used Apps in this Sector

Sector	More Than Before	About the Same	Less than Before	Haven't Used Apps in this Sector
Social Media	51%	33%	6%	10%
Media & Entertainment	47%	33%	6%	13%
Retail	39%	37%	11%	14%
Medical, Health & Fitness	36%	37%	8%	19%
Financial Services	33%	42%	8%	17%
Education	29%	33%	8%	31%
Travel & Hospitality	21%	26%	27%	26%
Utilities (energy, broadband, phone)	21%	44%	6%	17%

There were two exceptions to this strong growth. The first was Travel & Hospitality, where less than half of respondents said they used apps in this sector more or about the same since the pandemic began. This is expected, as travel restrictions reduced demand. Education also had results falling short of the overall trend, but apps in this space are more age influenced.

The preference for apps is led by the young, however more than 60%+ of baby boomers have used most types of apps more or about the same since the pandemic began.

■ Gen Z   ■ Millennials   ■ Gen X   ■ Boomers

Category	Gen Z	Millennials	Gen X	Boomers
Social Media	90%	90%	86%	67%
Media & Entertainment	88%	88%	83%	62%
Retail	74%	81%	77%	66%
Medical, Health & Fitness	76%	81%	72%	62%
Utilities (energy, broadband, phone)	80%	84%	77%	66%
Financial Services	75%	82%	77%	61%
Education	75%	74%	60%	36%
Travel & Hospitality	53%	55%	45%	33%
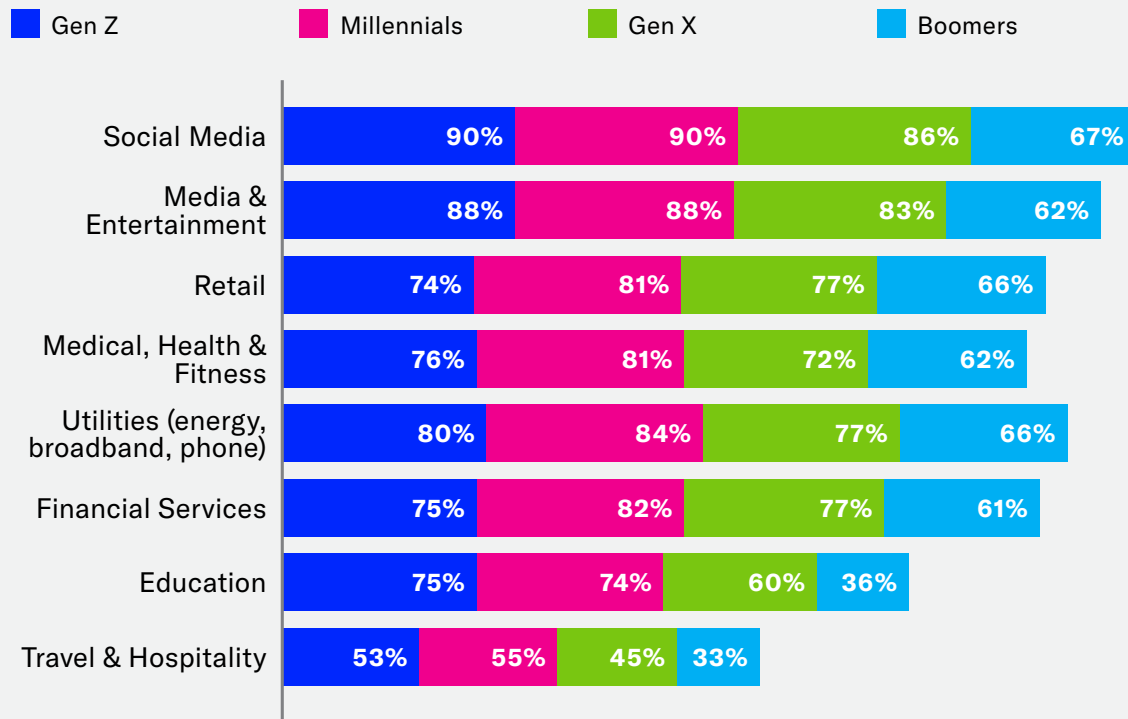
Of course, consumers are not homogenous. Shoppers from different generations have different needs, and interact with brands in different ways. But impressively, the survey showed that the preference for using apps more or about the same extends across all age groups.

Certainly, the young are leading when it comes to mobile interactions, but more than 60% of Boomers (those aged 57+) are also using apps more or about the same across every app category except for Education and Travel & Hospitality.

The findings also suggest a potential greenfield opportunity for brands if they can get more boomers, and in many cases Gen X, to migrate to their app. For instance, only 6% of Gen Z (those aged 18-24 years old) responded that they haven't used media and entertainment apps, showing just how ingrained mobile apps have become with the young, whereas 32% of boomers had not used media & entertainment apps. Similarly, 26% of boomers had not used retail apps, and 33% had not used financial services apps.

Generational breakdown of respondents who haven't used apps by industry category

Legend: ■ Gen Z ■ Millennials ■ Gen X ■ Boomers

Industry Category	Gen Z	Millennials	Gen X	Boomers
Social Media	4%	3%	8%	28%
Media & Entertainment	6%	5%	11%	32%
Retail	13%	6%	13%	26%
Medical, Health & Fitness	12%	10%	20%	33%
Utilities (energy, broadband, phone)	12%	10%	18%	31%
Financial Services	15%	8%	16%	33%
Education	11%	17%	33%	60%
Travel & Hospitality	19%	15%	27%	45%
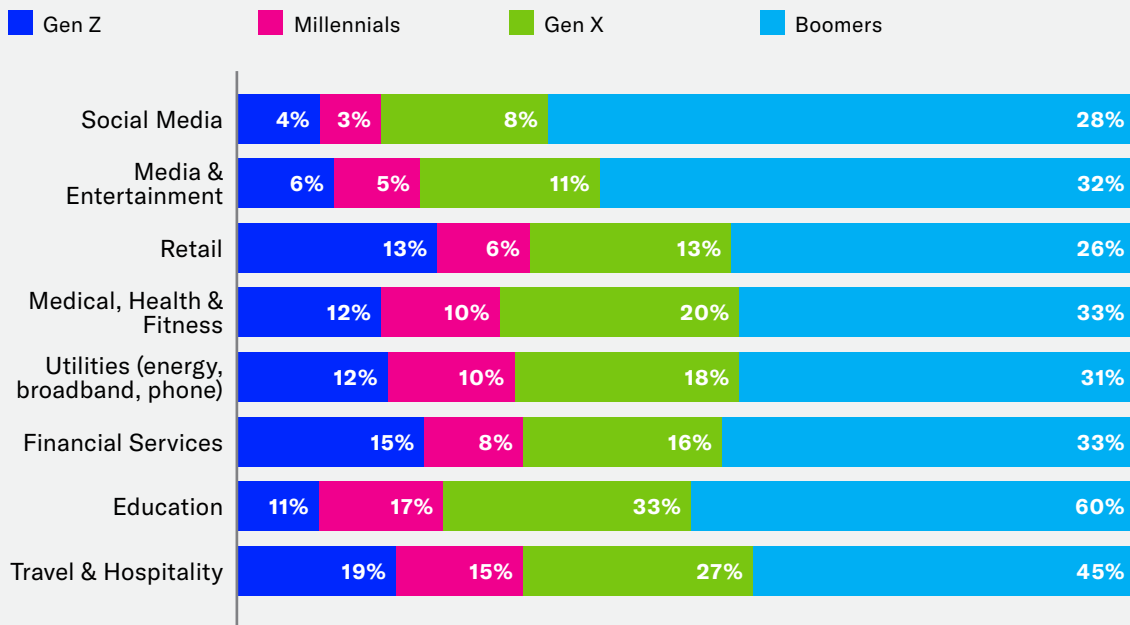
It would seem that boomers are a viable target for audience expansion. In many cases, older generations have more disposable income than younger ones who may have more familial obligations, student loans or higher living costs due to the cost of rent or savings required to purchase a house. For example, with the economic impact of the pandemic, only 8% of boomers are using retail apps less than before the pandemic started, compared to 14% of Gen Z, 12% of millennials and 10% of Gen X.

While the preference for apps extends across age groups, brands cannot take this opportunity for granted. The "app advantage" is easily lost if brands do not invest in retaining users. Our data across thousands of apps shows that 78% of users will churn in the first week after installing an app if brands do not have a clear strategy to create positive experiences for consumers, which simply means they will seek those experiences elsewhere. However, app users who receive any push notifications in their first 90-days have a 3X higher app retention rate when compared to those who received no push notifications.

Therefore, it is important to understand how to attract users to an app and get them to opt in to app-based communications.

RECOMMENDATION:

If boomers make up a significant portion of your current or potential customer base, consider running an education and onboarding campaign with special incentives to encourage customers to experience your app. If there are other ways you can extend your app's value to this group, either through functionality, incentives or other, test it within your app and campaigns driving people into the app.

GETTING THE OPT IN

Apps have an inherent advantage to reach people wherever they are, in **the exact moment it matters most, on the most visible real estate** on the planet — smartphone locksreens.

GETTING THE OPT IN

Apps have an inherent advantage to reach people wherever they are at the exact moment it matters most, as notifications are delivered to the most visible real estate on the planet — their smartphone lockscreens. Therefore, getting consumers to agree to receive notifications from a brand's app is a top priority.

But how do you get consumers to opt in? We asked global respondents what reasons or incentives were most likely to motivate them to opt in to brand communications on their smartphone.

The survey found that "immediate value" topped the list among 35% of global respondents, whether in the form of discounts or loyalty rewards. Tied in second place at 25% for motivators to opt in were alerts for "shipping, delivery, or curbside pickup" and to receive "order confirmations or receipts." "Gaining early access to big sales events" was the third most popular reason at 21%.

Top reasons for opting in to brand communications on smartphones globally

Reason	Percentage
Earn immediate discounts or loyalty reward points	35%
Shipping/delivery or curb side pickup alerts	25%
Order confirmation/receipts	25%
Early access to big sales events, or exclusive product drops	21%
Broad sales alerts & discounts	20%
Personalized offers based on browsing behavior or past purchases	14%
Special offers triggered by your location	13%
Product warranties	13%
Other	18%
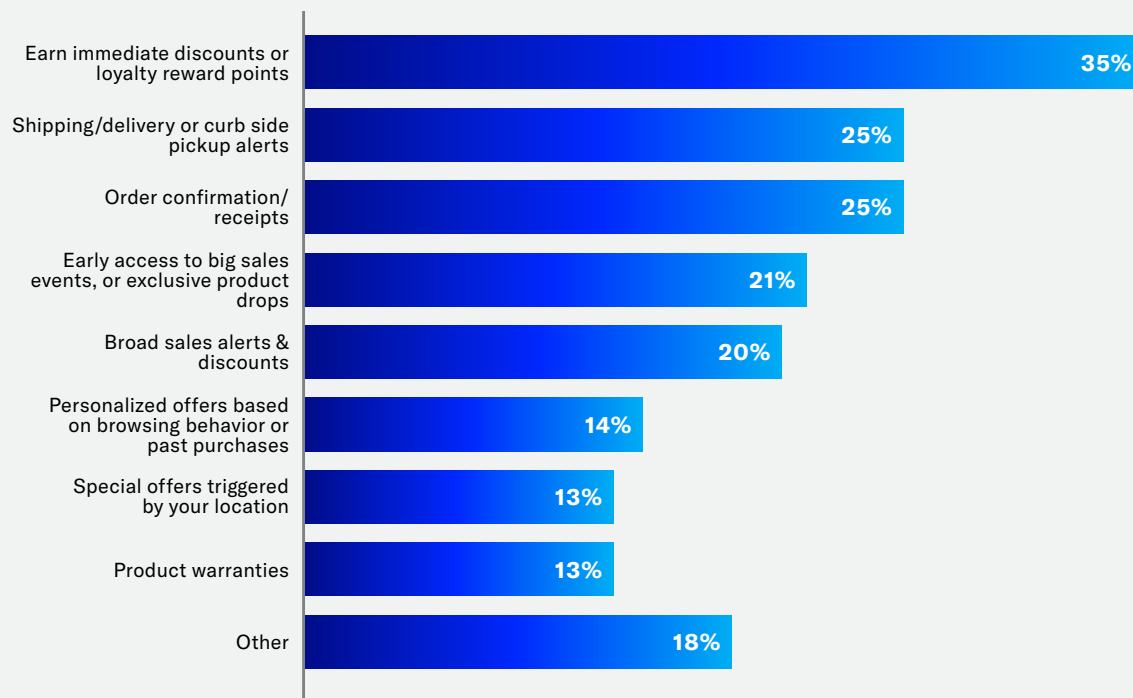
Interestingly, two things least likely to motivate smartphone users to opt in are "personalized offers based on behavior/past purchases" and "special offers triggered by their location." However, a separate question found that "interests relevant to a brand" and "what they've browsed on a brand's app or website" were among the top five items that respondents were willing to share with brands for personalized interactions and special incentives.

So in other words, customers want personalized, individualized interactions; you just have to meet them first with immediate value and white-glove services and experiences to gain their initial opt in.

For German respondents the top opt-in motivator was "Shipping/delivery or curbside pickup alerts," at 31%, edging out both "Immediate value" and "Order confirmation/ receipts" which were tied at 30%.

India and Singapore were the only two countries where the second most common reason for opting in was not transaction-focused (either shipping/delivery or order confirmation alerts) with 25% of respondents selecting "early access to big sales events, or exclusive product drops" and "broad sales alerts & discounts" respectively. Australia and the U.K. also had a high percentage opting in for "early access to big sales events," as their third most common opt-in motivator. In addition, Brits are most receptive to opt in for "special offers triggered by your location" at 16%.

Top reasons for consumers' opting in to brand communications on smartphones by country

Legend: US, UK, FR, DE, AU, SG, IN

Reason	US	UK	FR	DE	AU	SG	IN
Earn immediate discounts or loyalty reward points	34%	38%	40%	30%	39%	40%	30%
Shipping/delivery or curb side pickup alerts	27%	21%	29%	31%	23%	22%	23%
Order confirmation/ receipts	26%	23%	31%	30%	22%	21%	17%
Early access to big sales events, or exclusive product drops	24%	22%	14%	12%	22%	21%	25%
Broad sales alerts & discounts	19%	19%	17%	24%	18%	25%	20%
Personalized offers based on browsing behavior or past purchases	13%	15%	13%	13%	13%	15%	20%
Special offers triggered by your location	12%	16%	10%	14%	14%	14%	15%
Product warranties	10%	11%	14%	13%	13%	16%	19%
Other	19%	16%	18%	13%	20%	17%	17%

RECOMMENDATION:

Highlight the immediate value, streamlined utility and exclusivity your app offers in everything from app descriptions to onboarding app tours. Use a soft prompt to explain the value of opting in prior to serving the OS prompt, and A/B test variations to determine what will lead to most success.

WHY PEOPLE OPT OUT

Across seven countries and cultural differences, the top two reasons for opting out of brand communications are the same: messages were too frequent or weren't relevant/personalized to an individual's needs.

WHY PEOPLE OPT OUT

Of course, the flip side of gaining the opt-in is losing it. Once a consumer has opted out, it can be very difficult to get them back, which can begin to sever the always-on connection that apps provide and erode a brand's revenue potential. So, we asked respondents what were the most common reasons for opting out or unsubscribing from brand communications?

Across all countries the most common reason for opting out of a brand's smartphone communications was receiving too many messages too often. Overall, 51% of global respondents picked this reason, with Australia and the U.S. taking the top spots at 55% and 54% of respondents. The second most common reason, again across all countries, was "Information not relevant/personalized to my needs" with 42% of respondents in the U.S., Australia and Singapore selecting it.

Other top opt-out reasons included:

- **Messaging was duplicated across channels** (32% globally, 38% in India and Singapore)
- **Unable to control the types and topic of messages received** (31% globally, and the third most common reason for opting out in the U.S. and Australia at 34% and 35% respectively
- **Messaging was too promotional** Germany (36%) and India (37%) over-indexed significantly compared to other countries

Top reasons for opting out of brand communications on smartphones globally

Reason	%
Messages were too frequent	51%
Information not relevant/personalized to my needs	40%
Messaging was duplicated across channels (same information across email, SMS, app, etc.)	32%
Unable to control the types and topic of messages received	31%
Messaging was too promotional	27%
Didn't receive enough value/discounts	24%
Other	1%

Top reasons for opting out of brand communications on smartphones by country

Legend: US | UK | FR | DE | AU | SG | IN

Reason	US	UK	FR	DE	AU	SG	IN
Messages were too frequent	54%	50%	50%	46%	55%	51%	40%
Information not relevant/personalized to my needs	42%	38%	38%	37%	42%	42%	40%
Messaging was duplicated across channels (same information across email, SMS, app, etc.)	32%	28%	30%	24%	30%	38%	38%
Unable to control the types and topic of messages received	34%	27%	27%	20%	35%	33%	31%
Messaging was too promotional	23%	22%	18%	36%	27%	29%	37%
Didn't receive enough value/discounts	25%	23%	21%	20%	25%	26%	26%

These are clear warning signals to brands, though many of these issues can be avoided by collecting and respecting customer preferences.

These explicit preferences should be granular, without being invasive or taking up too much of the customer's time. And if customers provide their preference data, brands must both use and honor it to fulfill their part of this privacy-value exchange. Furthermore, marketers must try to predict the customer's implicit preferences to truly provide the best experience. A customer's website and app behaviors, their progress or stopping points during purchase journeys, and their messaging interactions — from button taps to live chat — offer a wealth of insights.

All of this first-party data can help evolve the customer relationship to a one-to-one level, which will ultimately help to grow customer value as recipients get what they expect, and perhaps more than they expect. Plus, by asking customers what they prefer, a brand is showing a level of customer care that will outshine competitors.

RECOMMENDATION:
When onboarding customers to apps, websites and opt-in channels, brands should ask them to select product and/or service preferences that will help improve their experience. Find out how frequently customers want to hear from you, and through which channels, and for what reasons. Finally, optimize the customer journey for each individual and avoid unnecessary message duplication across channels that could spoil the experience.

WHAT INFORMATION WILL PEOPLE SHARE

Consumers are least likely to share information from their social profiles, but many more will share their social values relating to environmental, moral, political and religious views.

WHAT INFORMATION WILL PEOPLED SHARE

As well as collecting customer preferences, it is a priority to collect customer information. This will enable your app to offer personalized experiences that will help keep app users engaged and further the brand-customer value exchange. However, what pieces of personal information are consumers happy to part with? We asked what they'd be willing to share with brands in exchange for personalized interactions and special incentives.

Information consumers are willing to share with brands for personalized interactions and special incentives

Category	Percentage
Email address	77%
Name	67%
Your interest relevant to the brand	67%
Your communication preferences (channel, topic, frequency)	59%
What you've browsed on the brand's website or app	56%
Postal address	55%
Mobile number for text messages	53%
Demographic information (gender, household income, age)	53%
Your in-store location (eg; wayfinding for shopping list)	49%
What you value socially (environmental, moral, political or religious)	46%
Securely stored payment information	43%
Mobile number for phone calls	41%
Your real-world location (eg; location throughout your city)	37%
What you've browsed across unrelated websites and apps	36%
Information from your social profiles	35%

At a top-level, the results were perhaps unsurprising: 77% of consumers were willing to share their email address, 67% were willing to share their name as well as their interests relevant to the brand, and 59% were willing to share their communication preferences (which, as discussed above, is key to prevent customers from opting out of a brand's communications).

It's also insightful to see the information consumers are **least** willing to share with brands: information from their social profiles (65%); what they have browsed across unrelated sites and apps (64%); and their real-world location throughout their day (63%).

Interestingly, more than half of global respondents (53%) are willing to share their phone number for text messages, but only 41% will share it for phone calls. Here's another interesting twist. Consumers are least likely to share "information from social profiles," but nearly half (46%) of global respondents are willing to share their "social values (environmental, moral, political, religious)" with brands for personalized interactions and special incentives.

This is especially relevant as research shows ethics, corporate social responsibility and ESG (environmental, social and governance) factors are increasingly important to customers, and impact their purchasing decisions. For instance, a study by 5W found that 71% of consumers prefer buying from brands that align with their values[6], while Forrester research shows that shoppers are evaluating products based on a company's values with 41% of US consumers actively seeking to buy from brands associated with social or environmental causes[7].

Cultural differences can and do have a significant impact on peoples willingness to share certain types of information, with notable differences by country.

[6] WPR 2020 Consumer Culture Report

[7] Forrester Research, Inc., "The Power Of The Values-Based Consumer — And Of Authentic Brand Values," February 14, 2020

Notable differences by country and culture

Legend: ■ US ■ UK ■ FR ■ DE ■ AU ■ SG ■ IN

Information type	US	UK	FR	DE	AU	SG	IN
Email address	75%	79%	74%	72%	78%	79%	85%
Name	65%	73%	58%	61%	66%	66%	81%
Your interest relevant to the brand	65%	66%	61%	52%	68%	75%	80%
Your communication preferences (channel, topic, frequency)	58%	64%	55%	38%	62%	65%	75%
What you've browsed on the brand's website or app	56%	59%	57%	33%	57%	65%	70%
Postal address	56%	55%	48%	48%	51%	52%	72%
Mobile number for text messages	52%	53%	56%	35%	53%	56%	72%
Demographic information (gender, household income, age)	52%	56%	45%	44%	51%	54%	70%
Your in-store location (eg; wayfinding for shopping list)	50%	46%	45%	34%	45%	54%	68%
What you value socially (environmental, moral, political or religious)	45%	46%	39%	33%	40%	53%	71%
Securely stored payment information	41%	44%	36%	45%	38%	43%	61%
Mobile number for phone calls	37%	38%	48%	29%	38%	40%	68%
Your real-world location (eg; location throughout your city)	36%	38%	29%	31%	30%	38%	61%
What you've browsed across unrelated websites and apps	33%	37%	42%	25%	30%	38%	56%
Information from your social profiles	32%	34%	35%	31%	27%	37%	58%

Consumers in India are most willing to share any of this information with brands, whereas consumers in Germany appear to be more cautious about sharing their personal data. For example, respondents in India are highly likely to share their phone number for SMS communication (72%) and for phone calls (68%), but in Germany only 35% are willing to share their phone number for text messaging and 29% will share it for phone calls.

There are also key differences across the generations when it comes to sharing personal information. Perhaps unsurprisingly, the digital native generations (Gen Z and millennials) are more receptive to sharing most types of personal information. Boomers were the least willing to share information across every category. In some cases, the differences between the generations were very wide: just 30% of boomers were willing to share their social values compared to 56% of Gen Z.

These findings underline the importance of refining and optimizing brand communications and app experiences to different audiences. Consumers in certain countries and age groups are more willing to share different data if it'll be used to personalize experiences and create deeper connections. That doesn't mean brands should ignore those consumers who are less willing to exchange their information. Instead, with these groups, brands may simply have to work harder to earn the right to collect and leverage their data — by highlighting the value it will provide, whether that's utility, rewards or special incentives. Maintaining, and progressively building on this type of trust will increasingly depend on the value provided through direct interactions across apps, websites and messaging channels.

Notable differences by generation

■ Gen Z   ■ Millennials   ■ Gen X   ■ Boomers

	Gen Z	Millennials	Gen X	Boomers
Email address	76%	79%	78%	74%
Name	73%	70%	66%	59%
Your interest relevant to the brand	67%	72%	66%	58%
Your communication preferences (channel, topic, frequency)	62%	66%	59%	48%
What you've browsed on the brand's website or app	62%	63%	55%	44%
Postal address	57%	59%	54%	49%
Mobile number for text messages	62%	59%	53%	40%
Demographic information (gender, household income, age)	54%	59%	53%	44%
Your in-store location (eg; wayfinding for shopping list)	58%	57%	48%	34%
What you value socially (environmental, moral, political or religious)	56%	55%	43%	30%
Securely stored payment information	49%	51%	41%	31%
Mobile number for phone calls	52%	49%	39%	28%
Your real-world location (eg; location throughout your city)	40%	45%	36%	25%
What you've browsed across unrelated websites and apps	43%	44%	36%	21%
Information from your social profiles	46%	45%	32%	18%

RECOMMENDATION:

Brands should have a clear strategy in place to collect, utilize, and continually refresh customer information, including being able to delete it. Apps provide rich behavioral data related to the user's intent and needs, while interactive app experiences — from onboarding and feature tours, to app surveys and messaging interactions — can progressively, and unobtrusively, build on your understanding of what individuals care about and value.

CONSUMERS CONTROL MESSAGE FREQUENCY AND TIMING

Consumers, and especially the young, are more likely to stay opted in to brand communications if given controls.

CONSUMERS CONTROL MESSAGE FREQUENCY AND TIMING

A key element to retaining app users is giving them control specifically, offering user-level control over their data and how they prefer to interact with a brand. Control and privacy are important trends in the mobile ecosystem: Apple's iOS updates increasingly contain features that offer users more control and clearer choices. For example, before a user has even downloaded a brand's app, privacy nutrition labels disclose its data collection practices. Once they have the app, a new App Privacy Report will detail how often it requests access to sensitive information, and where that information is being shared.

As outlined earlier in this report, the inability among app users to control the frequency and relevancy of messages received are the top reasons app users opt out. Previous research has also underlined the importance of user-level control. A Gartner study from April 2020 predicted that by 2023, "brands that put in place user-level control of marketing data will reduce customer churn by 40% and increase lifetime value by 25%[8]."

Our own findings support this conclusion. We found that consumers are more likely to stay opted in to brand communications if they have control over the **Reason** (43%), **Frequency** (41%) and **Channels** (40%) with which brands engage them.

Consumer control over brand messaging improves opt-in retention
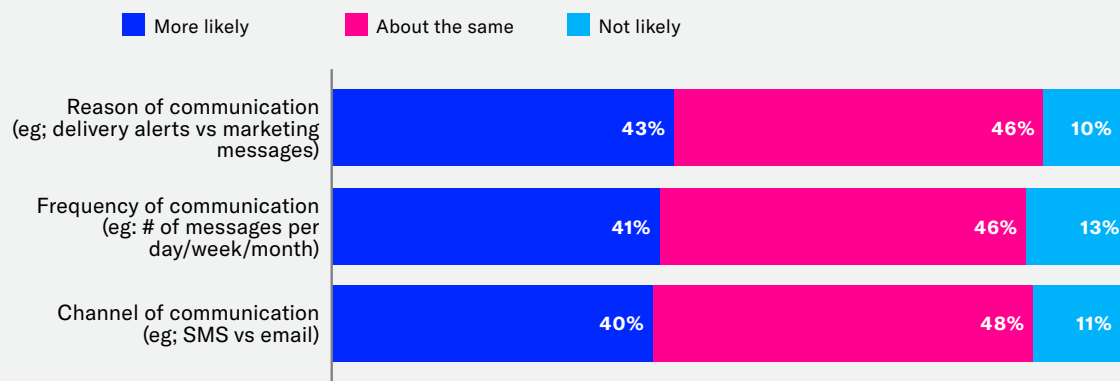
For a slightly larger group, controls have no impact on their choice to continue receiving brand communications. However, consumers in the U.S. and India show an even greater preference for controls, with the greatest percentage of respondents for all three: Reason (U.S. 46%, India 54%), Frequency (U.S. 45%, India 48%) and Channel (U.S. 41%, India 53%). And younger consumers showed even greater levels of preference for these kinds of controls, compared to older generations:

[8] Gartner, "IoT-Based Thing Commerce Requires a Differentiated Customer Experience" By Sandy Shen, April 1, 2020

Percent of respondents in each country that would be more likely to continue receiving brand communications if given various controls

■ Purposes of communication   ■ Frequency of communication   ■ Channel of communication

Country	Purposes	Frequency	Channel
US	46%	45%	41%
UK	38%	38%	39%
FR	35%	35%	34%
DE	40%	36%	34%
AU	40%	41%	39%
SG	43%	37%	40%
IN	54%	48%	53%
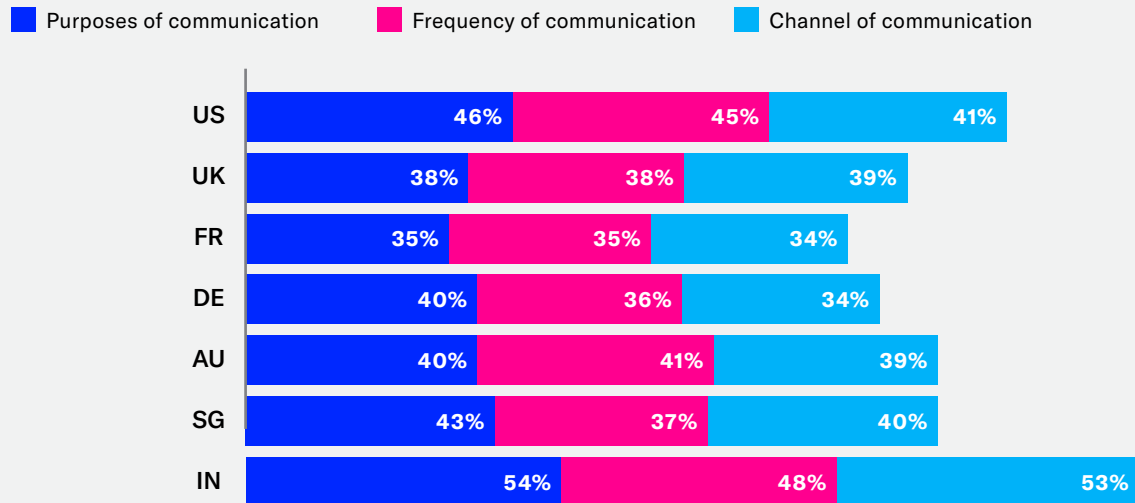
Preference controls increase the likelihood consumers will continue to receive brand communications

■ Gen Z   ■ Millennials   ■ Gen X   ■ Boomers

	Gen Z	Millennials	Gen X	Boomers
Reason of communication (eg; delivery alerts vs marketing messages)	47%	47%	40%	40%
Frequency of communication (eg; # of messages per day/week/month)	41%	45%	39%	38%
Channel of communication (eg; SMS vs email)	41%	46%	39%	34%
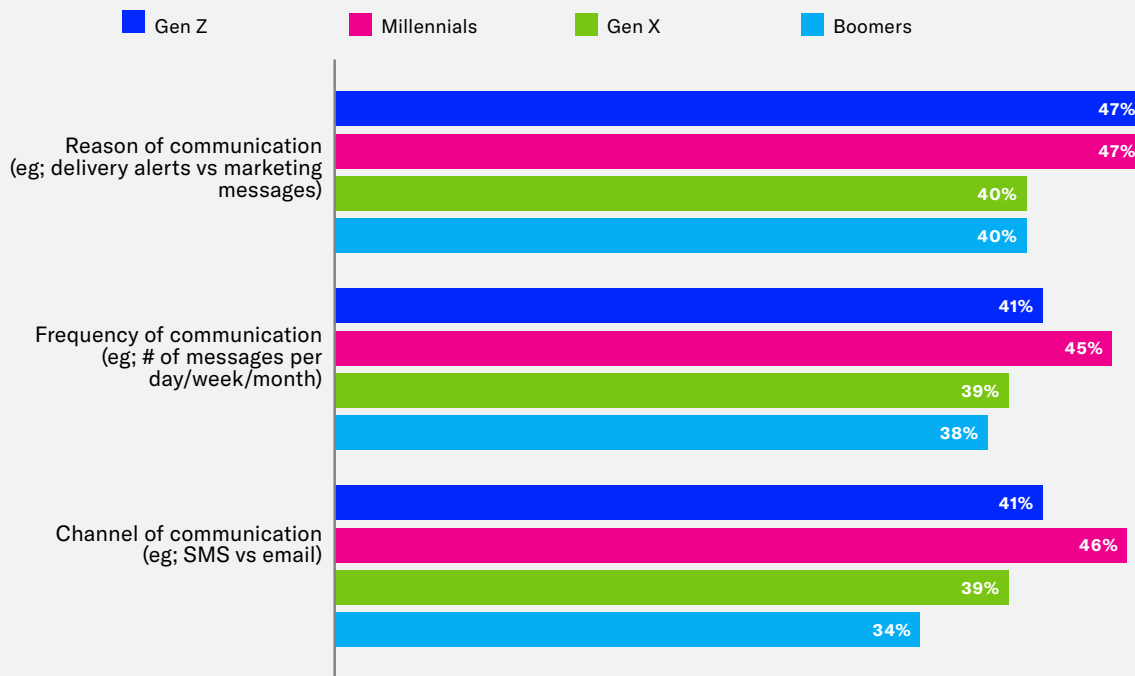
As well as control, frequency is a crucial factor. Constant notifications may be seen as a nuisance by some users, but sending notifications too infrequently might lead some users to forget about your app altogether. So, what is the right level of frequency? We asked consumers how often they wanted to receive different types of app-based messaging from brands.

Consumer preferences for frequency of messaging

Legend:
- Immediately, as often as it happens (dark navy)
- Once per day (blue)
- 1–2 times per week (magenta)
- 1–2 times per month (orange)
- Only as I'm using the specific app (green)
- I don't want these types of messages (light blue)

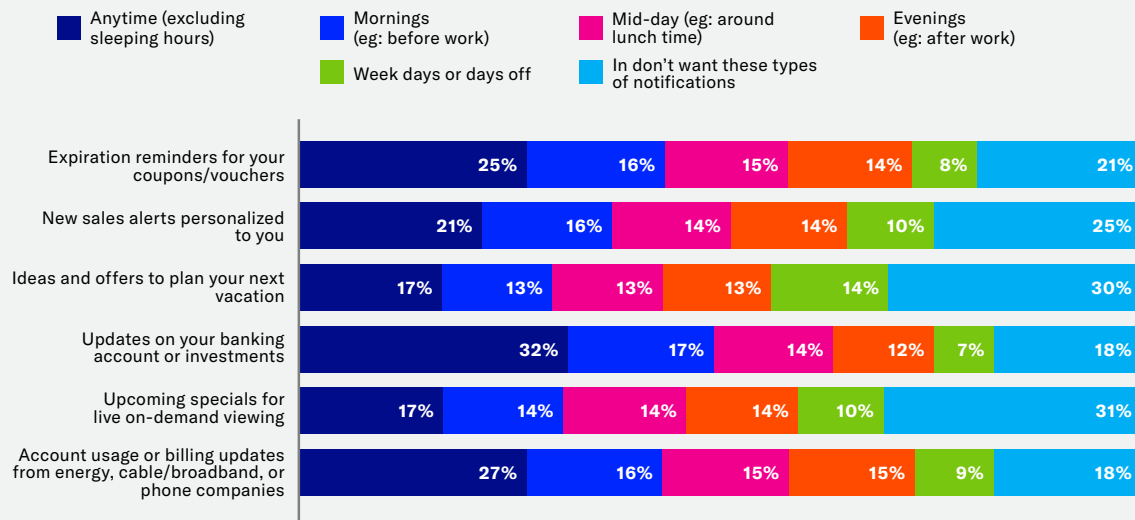| Message type	Immediately	Once per day	1–2 times per week	1–2 times per month	Only as I'm using the specific app	I don't want these types of messages
Shipping/delivery or curb side pickup alerts	34%	18%	15%	10%	13%	11%
Discounts for items browsed or left in a shopping cart	18%	18%	21%	13%	15%	15%
Changes to flight or travel plans	35%	12%	12%	9%	13%	18%
Financial withdraws, charges or payments	33%	14%	15%	10%	12%	14%
Breaking news alerts	24%	22%	16%	9%	12%	18%
New content available in paid subscription	13%	16%	20%	13%	15%	22%
Mobile data plan coverage warnings	29%	16%	14%	11%	13%	16%
Significant increases in household energy or water usage	22%	16%	17%	15%	13%	18%

Most respondents chose "Immediately, as often as it happens" for their preferred level of frequency. This option led over all other frequencies for all but two types of messages:

- **Discounts for items browsed or left in a shopping cart,** where 21% of respondents said they preferred updates 1-2 times per week
- **New content available in paid subscription**, where 1-2 times per week was the top frequency at 20%

Interestingly, while **Immediately** was the top selection for breaking news, the second most common choice was once per day. It's worth noting that Apple's iOS 15 now offers a Notification Summary, which combines notifications from selected apps into a roundup delivered at chosen times during the user's day. Once per day may prove a common choice among certain consumers to receive their breaking news notifications, reminiscent of scanning the newspaper with your morning coffee. While this feature is limited to Apple's universe, other mobile providers may introduce a similar feature if it proves popular.

As well as frequency, timing is everything in brand communications. Sending a push notification at the right time can make the difference between a consumer opening a message and engaging with an app, or ignoring it — or worse, getting frustrated and setting notifications to quiet delivery or uninstalling the app altogether. Again, getting the balance right is challenging: some users may find notifications sent during the daytime distracting if they are working or studying, while sending notifications too late in the day may diminish their relevance. We asked survey respondents to share their preferred timing to receive different types of push notifications:

Legend:
- Anytime (excluding sleeping hours)
- Mornings (eg: before work)
- Mid-day (eg: around lunch time)
- Evenings (eg: after work)
- Week days or days off
- In don't want these types of notifications

Notification type	Anytime	Mornings	Mid-day	Evenings	Week days or days off	Don't want
Expiration reminders for your coupons/vouchers	25%	16%	15%	14%	8%	21%
New sales alerts personalized to you	21%	16%	14%	14%	10%	25%
Ideas and offers to plan your next vacation	17%	13%	13%	13%	14%	30%
Updates on your banking account or investments	32%	17%	14%	12%	7%	18%
Upcoming specials for live on-demand viewing	17%	14%	14%	14%	10%	31%
Account usage or billing updates from energy, cable/broadband, or phone companies	27%	16%	15%	15%	9%	18%

The most respondents across every country selected **Anytime (excluding sleeping hours)** as their preferred time to receive six distinct types of notifications with "Updates on your banking account or investments" being selected most for anytime delivery.

At a country-level there were a few exceptions worth highlighting:

· Germany had an equal number of respondents selecting **Evenings (e.g., after work)** as **Anytime** for "New sales alerts personalized to you."

· For "Ideas and offers to plan your next vacation" more Germans selected **Weekends or days off (17%)** and **Evenings (15%)** than those selecting Anytime (13%).

· For "Upcoming specials for live on-demand viewing" more Germans selected **Evenings (16%)** than **Anytime (14%)**. For this message category, the same percentage of Australians (16%) selected **Mid-day, (e.g., around lunch time)** as **Anytime**, while in India, the same percentage of respondents (22%) wanted these types of messages to arrive in the Mornings, (e.g, before work) or Anytime.

RECOMMENDATION:
App providers and marketers need to consider frequency, timing and control when designing their notification strategy. Collecting user preferences early in onboarding is ideal, particularly with significant percentages not wanting various types of messages. This should be an ongoing effort to make brand communications as customer-centric as possible, offering users more opt-in choices across topics and interests, and especially transactional and time-sensitive use cases. Also, analyze the trending interests of high lifetime value customers to continually adapt preference center options.
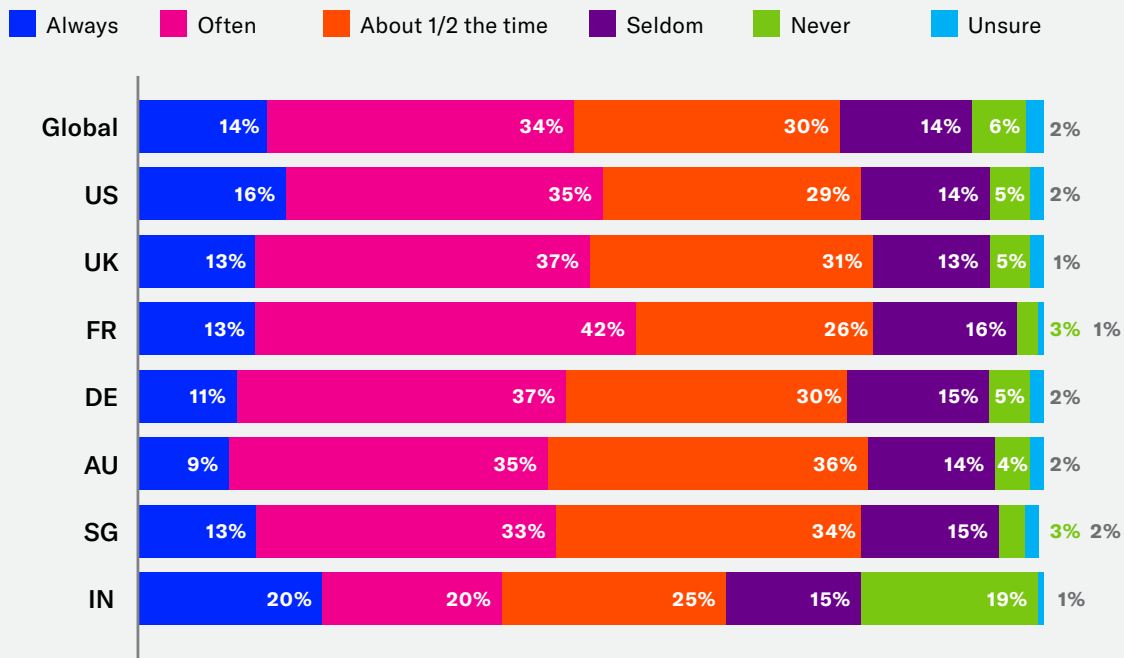
EMAILS ARE INCREASINGLY LEFT UNREAD

Globally, more than three-quarters of respondents (78%) ignore or delete without reading a brand's emails at least half of the time or more.

EMAILS ARE INCREASINGLY LEFT UNREAD

Since most emails are now consumed on mobile devices, and email marketing is an older channel compared to apps, we wanted to understand how consumers perceive and interact with brand emails they signed up to receive. Findings indicate that email may be a lot less effective in the future.
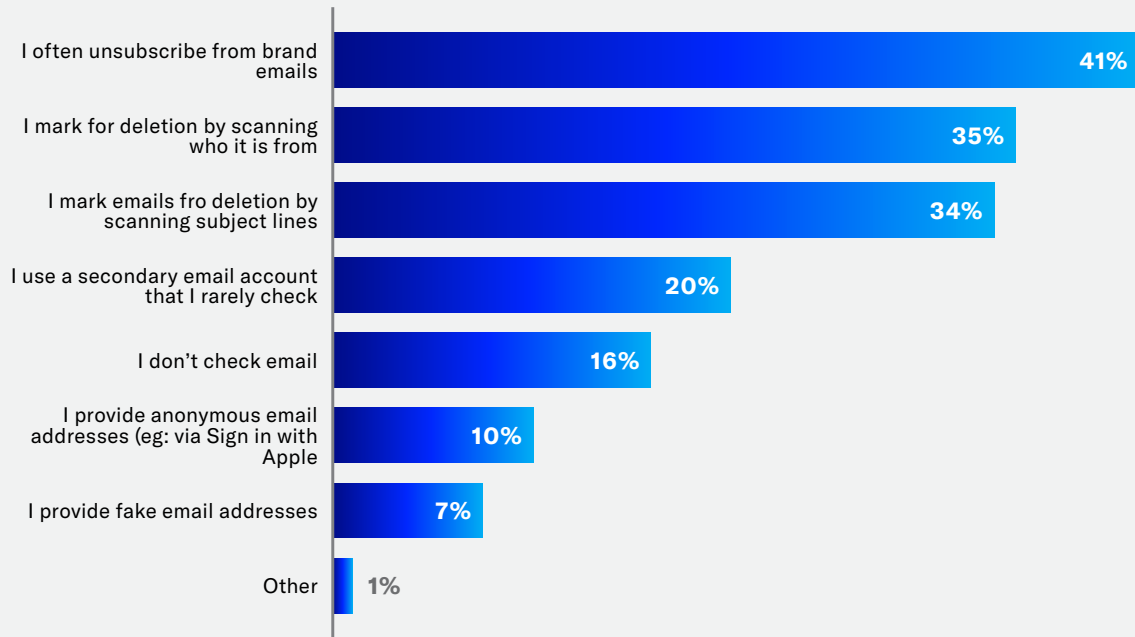
Globally, more than three-quarters of respondents (78%) ignore **or** delete without reading a brand's emails half of the time or more. India is the one country falling below this global average at 65%, but it also had the highest number of respondents (20%) who say they Always ignore brand email marketing followed by the U.S. (16%), U.K. (13%), France (13%), Singapore (13%), Germany (11%) and Australia (9%).

Globally, 48% always or often ignore email marketing from brands they subscribed to

Legend: ■ Always ■ Often ■ About 1/2 the time ■ Seldom ■ Never ■ Unsure

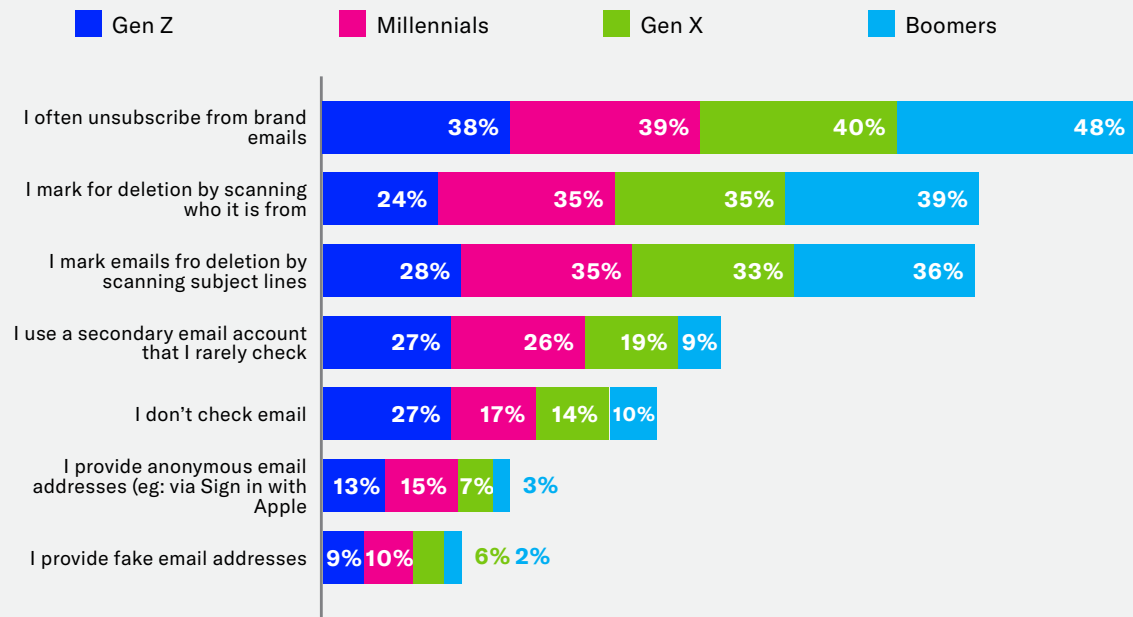| Country	Always	Often	About 1/2 the time	Seldom	Never	Unsure
Global	14%	34%	30%	14%	6%	2%
US	16%	35%	29%	14%	5%	2%
UK	13%	37%	31%	13%	5%	1%
FR	13%	42%	26%	16%	3%	1%
DE	11%	37%	30%	15%	5%	2%
AU	9%	35%	36%	14%	4%	2%
SG	13%	33%	34%	15%	3%	2%
IN	20%	20%	25%	15%	19%	1%

To investigate further, respondents that avoid email marketing at least half of the time were asked to share how they do that:

Frequently unsubscribing from brand emails is the most common method at 41% globally, while 35% delete emails by scanning who it is from, and 34% delete emails by scanning the subject line. These behaviors are relatively consistent across age groups with some important differences.

First chart

Response	Value
I often unsubscribe from brand emails	41%
I mark for deletion by scanning who it is from	35%
I mark emails fro deletion by scanning subject lines	34%
I use a secondary email account that I rarely check	20%
I don't check email	16%
I provide anonymous email addresses (eg: via Sign in with Apple	10%
I provide fake email addresses	7%
Other	1%

Younger generations are more likely to simply ignore emails altogether: 27% of Gen Z don't often check emails, and the same percentage uses a secondary email account that they rarely check. Compared to boomers, Gen Z and millennials together are more than four times as likely to use anonymous or fake email addresses and more than twice as likely to say they don't often check their email.

Second chart

	Gen Z	Millennials	Gen X	Boomers
I often unsubscribe from brand emails	38%	39%	40%	48%
I mark for deletion by scanning who it is from	24%	35%	35%	39%
I mark emails fro deletion by scanning subject lines	28%	35%	33%	36%
I use a secondary email account that I rarely check	27%	26%	19%	9%
I don't check email	27%	17%	14%	10%
I provide anonymous email addresses (eg: via Sign in with Apple	13%	15%	7%	3%
I provide fake email addresses	9%	10%	6%	2%

In addition to these consumer habits of ignoring or deleting email marketing, there are secular trends in the industry that are rendering brand emails less effective. For instance, Apple has introduced features within its Mail app, Safari and iCloud+ that hide IP addresses so a user's digital activity can't be assembled into a user profile or leveraged to determine their location. Mail Privacy Protection in its Mail app prevents senders from using pixel trackers in email to collect information such as whether the

email was opened or not — in fact, now all emails will appear to have been opened. Not only will that cut into data that marketers like to have in their CRM, but it will stymie efforts to perform email list hygiene, putting sender reputation at risk, which could create deliverability problems.

These innovations are major wins for consumer privacy, but they also make it clear — at least in Apple's universe — that marketers can no longer rely on a spray-and-pray approach, where a large email list combined with a low-single-digit conversion rate made email marketing the marketer's go-to channel. Recent reports from independent analysts seem to agree:

- According to Forrester, "While marketers' top tool is email, only 5% of US consumers say email offers are usually well-timed to their needs[9]"
- Gartner analyzed emails from August 2019 through July 2020 by financial, consumer staples and consumer discretionary businesses, and found "…
on average, only 9% of emails feature some form of targeting across industries. This is as low as 3% among food and beverage brands[10]"

RECOMMENDATION:
Inundated email inboxes require marketers to get more sophisticated about targeting messages to individuals. A learned assessment of the sender, as well as value conveyed through the subject line contribute to whether an email is actually opened, let alone read. In addition, marketers would be wise to obtain customer opt-in permissions to other channels that offer greater visibility like notifications, as well as less competition for attention such as a message center within the brand's app.

[9] Forrester Research, Inc., "Marketers Versus Customers: Opposing Forces Erupt," January 20, 2021
[10] Gartner, "3 Email Marketing Best Practices to Drive Digital Commerce Effectiveness," by Matt Moorut, January 27, 2021

THE MAJORITY OF GLOBAL CONSUMERS MELD DIGITAL AND PHYSICAL EXPERIENCES

For most countries and generations, the likelihood of using a retailer's app while shopping in-store is only a few percentage points behind visiting the retailer's website, despite having to first download them.
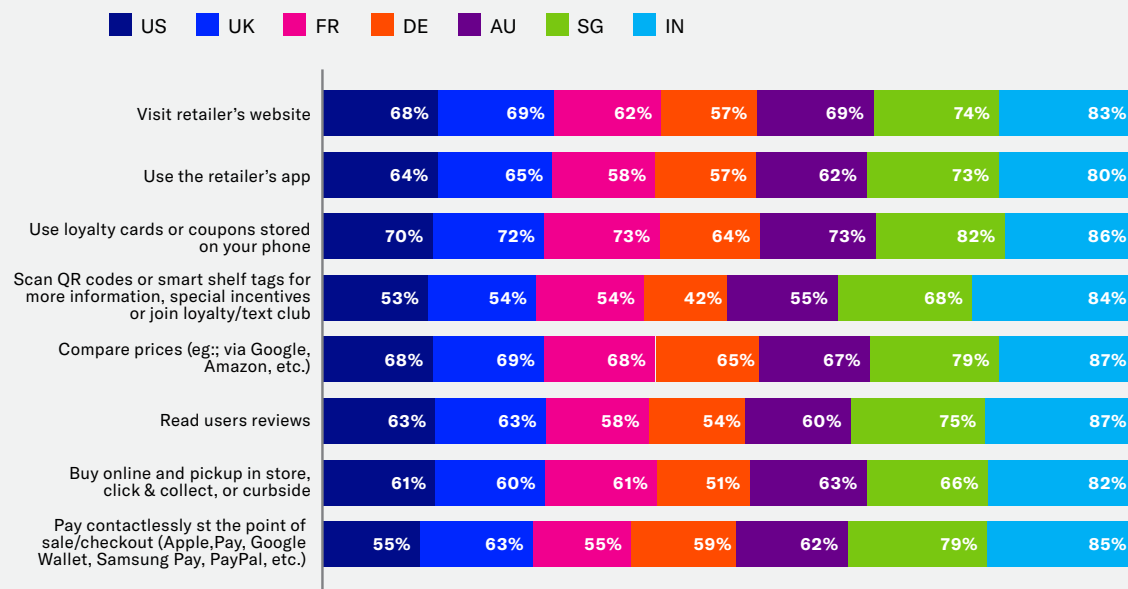
THE MAJORITY OF GLOBAL CONSUMERS MELD DIGITAL AND PHYSICAL EXPERIENCES

Every industry included in our survey has both the potential to meld digital and physical experiences, and the requisite rewards gleaned through better customer experiences for doing so — whether a sports stadium, movie theater, restaurant, hotel, airport, bank, geo-tagged social post, D2C product drop or physical retail store. Retail is often the go-to example of what the future of mobile-enabled real-world experiences hold, but consider how quickly airline boarding passes on your phone became ubiquitous.
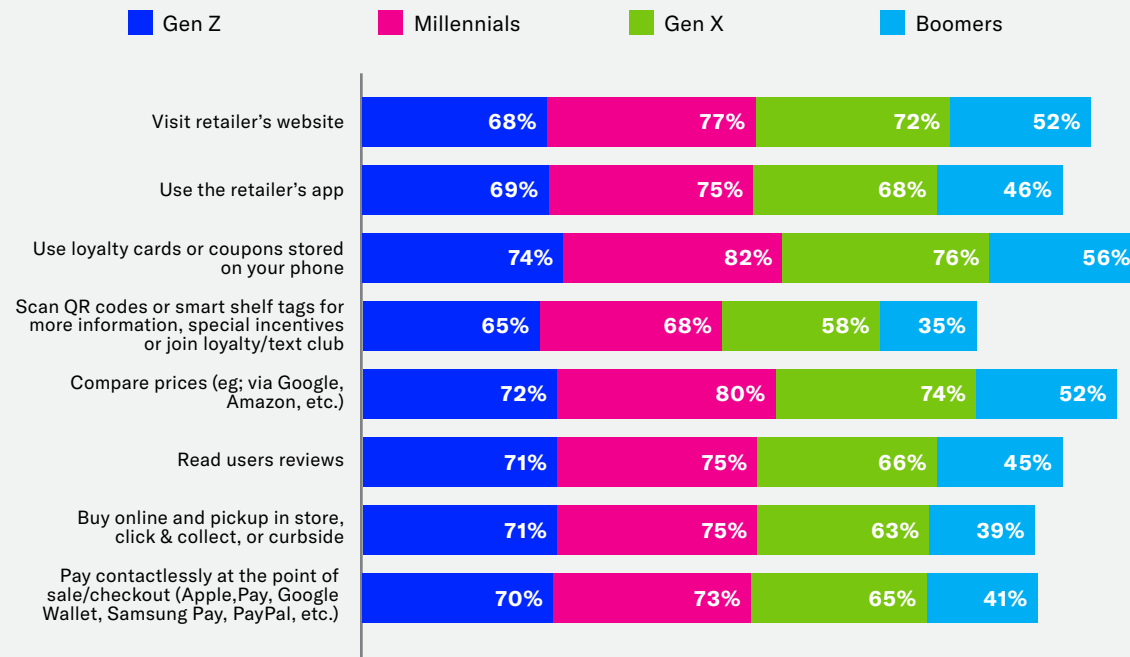
With the holiday season around the corner, we chose to ask respondents how they planned to shop and in what ways they were likely to use their smartphones while shopping in physical stores.

When asked about eight different activities one might use their smartphone to accomplish while shopping in-store, more than half of respondents in every country surveyed said they'd be likely to perform these. Germany was the only exception for a single activity "Scan QR codes or smart shelf tags for more information, special incentives or to join loyalty/text club " — where only 42% said they'd be likely to do that. On the same token, Germans are just as likely to open the retailer's app as their website when shopping in-store. Singapore and India over-index on all of these in-store digital activities:

Nearly two-thirds of consumers will use retailer's apps to meld digital and physical experiences

Legend: ■ US   ■ UK   ■ FR   ■ DE   ■ AU   ■ SG   ■ IN

Activity	US	UK	FR	DE	AU	SG	IN
Visit retailer's website	68%	69%	62%	57%	69%	74%	83%
Use the retailer's app	64%	65%	58%	57%	62%	73%	80%
Use loyalty cards or coupons stored on your phone	70%	72%	73%	64%	73%	82%	86%
Scan QR codes or smart shelf tags for more information, special incentives or join loyalty/text club	53%	54%	54%	42%	55%	68%	84%
Compare prices (eg:: via Google, Amazon, etc.)	68%	69%	68%	65%	67%	79%	87%
Read users reviews	63%	63%	58%	54%	60%	75%	87%
Buy online and pickup in store, click & collect, or curbside	61%	60%	61%	51%	63%	66%	82%
Pay contactlessly st the point of sale/checkout (Apple,Pay, Google Wallet, Samsung Pay, PayPal, etc.)	55%	63%	55%	59%	62%	79%	85%

Across generations, millennials lead in likelihood to perform all in-store activities

■ Gen Z   ■ Millennials   ■ Gen X   ■ Boomers

Activity	Gen Z	Millennials	Gen X	Boomers
Visit retailer's website	68%	77%	72%	52%
Use the retailer's app	69%	75%	68%	46%
Use loyalty cards or coupons stored on your phone	74%	82%	76%	56%
Scan QR codes or smart shelf tags for more information, special incentives or join loyalty/text club	65%	68%	58%	35%
Compare prices (eg; via Google, Amazon, etc.)	72%	80%	74%	52%
Read users reviews	71%	75%	66%	45%
Buy online and pickup in store, click & collect, or curbside	71%	75%	63%	39%
Pay contactlessly at the point of sale/checkout (Apple,Pay, Google Wallet, Samsung Pay, PayPal, etc.)	70%	73%	65%	41%

For most countries and generations, the likelihood of using a retailer's app while shopping in-store, is only a few percentage points behind visiting the retailer's website, despite people having to first download them from the App Store or Google Play. Indeed, 81% of millennials have used retail apps more or about the same since the pandemic began, followed by 77% of Gen X, 74% of Gen Z and 66% of baby boomers.

Younger consumers, especially millennials, are much more likely to use their smartphone in-store to do these various activities. For instance, 75% of millennials are likely to use a retailer's app in store, compared to just 46% of boomers. There is an opportunity here for brands to reach out and communicate to older generations, either in store or through an app, about the benefits of using their smartphone in retail locations to enhance their shopping experience.

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RECOMMENDATION:
Whether it's simply providing customers a loyalty card that automatically surfaces onsite to remind them of rewards they've earned, or providing digital concierge services via the app — wayfinding, inventory checks, customer service chat, click-and-collect/curbside pickup, detailed product information, demos or digital extras — find a way to make your app an indispensable companion in the real world and give customers that have it an unfair advantage.

CONCLUSION

Growing data regulations and mobile platform innovations are speeding brands toward a customer-first future, where product owners, digital marketers, and developers must go far beyond targeting "eyeballs" and delivering one-way messaging and brand-centric campaigns. To gain the insight necessary to serve today's customer expectations, brands must create direct digital connections that offer always-on utility, streamlined and convenient experiences and individualized control — all of which reach much deeper into the hearts and minds of customers.

While the pandemic accelerated online interactions of every form, apps across industries are trending towards 75% of consumers using them. Welcome to the new normal, where, for the vast majority, and especially younger generations, it's second-nature to meld digital and physical experiences to their advantage.

Realizing the full business potential of apps is challenging with progress hampered by reliance on development resources and cyclical app updates that have left brands, and the industry-at-large, approaching apps as another promotional channel rather than creating reciprocal value exchanges necessary for sustained (and more valuable) relationships.

That's why it is Airship's mission to make it even easier for brands to deliver the types of app experiences that more effectively get customers onboard, more quickly grow customer insights and more easily give both the brand and customers the controls needed to serve them in the best, most valuable ways possible. Hopefully the insights contained in this report will inspire brands to take the helm in creating app experiences that drive unique advantages for everyone involved.

Methodology

The survey was conducted by Sapio Research on behalf of Airship in September 2021. Respondents included 9,143 consumers in seven countries who were asked a variety of questions about their experiences, expectations and desires in interacting with brands digitally. At an overall level, the survey's results are accurate to ±1% at 95% confidence level.

ABOUT AIRSHIP

No one knows more, does more, or cares more when it comes to helping brands master mobile app experiences than Airship. From the beginning of apps, we powered the first commercial messages and then expanded our data-led approach to all re-engagement channels (mobile wallet, SMS, email), app UX experimentation, proactive in-app conversations and now rich in-app experiences that business users can create and adapt on their own — with no ongoing developer support or app update required.

From the trillions of mobile app interactions we've powered for thousands of global brands, we've been there, and done that, lending our solutions and expertise to help apps become the pinnacle of elegant customer experiences and winning brand loyalty strategies.

For more information, visit www.airship.com, read our blog or follow us on Twitter, LinkedIn and Facebook.