How to Increase In-App Purchases

Every day, we help the world’s biggest brands, like Lyft, Tinder, Grab, TED, and Zynga, implement mobile strategies that positively impact ROI. Our no. 1 goal: help them drive revenue.

That’s why we created this report. We analyzed millions of push notifications to determine if there is a way to boost the number of in-app purchases buyers make.
Here are the four critical questions we asked ourselves:

1. Do push notifications encourage users to make an in-app purchase?

2. Do push notifications increase the amount users spend per purchase?

3. What is the best time of day to ask users to make a purchase?

4. What is the best day of the week to ask users to make a purchase?
Methodology

We analyzed more than 56 million activities between Dec. 1, 2016 and June 1, 2017. Activities included both promotional push notifications sent to users and the subsequent purchases made by users.

Every push notification we studied contained one of the following promotion-related terms:

- Purchase
- Buy
- Book
- Shop
- Pay
- Sale
- Discount
- Reserve
- Pay
- Sale

As messages containing these words have a clear intent, we can use promotional push notifications to determine the purchase rate, or the percent of messages that led to a purchase.
An astounding 90 percent of mobile shopping carts are abandoned, on average. If anything can combat this challenge, it’s worth an analysis.

90%
Mobile Shopping Cart Abandonment
Intuitively, the answer to, “Do messages actually encourage users to make an in-app purchase?” is yes. When you have a sale, you need to promote it across channels by driving users to the landing page where they can discover items and convert. Push notifications have the power to immediately reach users wherever they are, to keep the app top of mind, and share breaking announcements such as sales.

Our data proved that when you send a promotional push notification, 9.6x as many users will make a purchase, compared to those who did not receive the message.
Promotional push notifications drive 9.6x as many users to make a purchase. Luring users back into your app via push is critical to growing revenue.

If you’re not sending push notifications to help grow your mobile business, what are you waiting for?
Congratulations! You drove more users to make a purchase in your app.

More good news: our data shows that promotional push notifications not only boost purchases, but the same users are likely to spend 16 percent more money with you.
Show Me the Money!

Really — 16 percent more?

Promotional push notifications, and other cross-channel messages, are effective in driving more upsells with shoppers. One reason: Think of it as the “Would you like fries with that?” mentality.

If you already prompted a user to book a flight through your app, asking them to add on a hotel makes business sense — and is convenient for the customer. If you can offer a discount on the secondary or complementary item, chances are even higher that they’ll purchase.
The old adage “timing is everything” rings true across the board, and it can work for you or against you. Just as there’s a good time to ask your boss for a raise (hint: it’s Friday morning), there are good and bad times to ask users to make an in-app purchase.

To arrive at this conclusion, we analyzed both the time of day and day of the week when mobile teams sent promotional push notifications that resulted in a successful purchase.

To determine if there’s a time of day when users are more receptive to promotional push notifications, we first segmented the day into time intervals. (Note: Each time block occurs in the user’s local time zone.)

Next, to determine the effectiveness of promotional push notifications, we calculated success by how many people purchased within the following hour. Here are the results.
* “Relative purchase rate” refers to the purchase rate at a given time of day, relative to the overall purchase rate.
Due to lack of activity, we removed the block of hours between midnight and 6 a.m. from the analysis. We didn’t want to skew the data by comparing an active time period to this inactive interval.

We discovered that late afternoons perform the best; early mornings the worst. In fact, sending a promotional push notification in the late afternoon will lead to 2.7x more purchases than promotional push notifications sent in the early morning.
Why?

While we’ve found that users in every region have a time when they’re naturally more active, late afternoon is generally a safe time to start a conversation. On weekdays, younger audiences are getting out of school and the afternoon lull is hitting disengaged office workers. On weekends, right after Friday payday, the post-lunch rush lures in shoppers. To increase the chances of users purchasing, the data illustrates that you should send promotional push notifications during 3–6 p.m. in each user’s local time zone.

3-6 p.m. = Cha-Ching!
Sending promotional messages between 3–6 p.m. in each user’s local time zone leads to 2.7x more purchases.
Next, we looked at the impact the day of the week has in purchase conversion. We calculated success by how many users purchased within 12 hours of receiving the promotional push notification.

The best day of the week to send promotional push notifications is on Saturday. The worst: Thursday. Promotional push notifications sent on Saturdays result in 2.2x the conversions as similar messages sent on Thursdays.
*“Relative purchase rate” refers to the purchase rate at a given time of day, relative to the overall purchase rate.
Scheduling promotional messages on Saturday late afternoon may result in the most purchases.

When much of the world works 9–5 weekdays, it’s not surprising that Saturday = shopping. Users have the day off, they’re relaxed, and in a spending mood.

So the next time you want to incentivize users to make in-app purchases, remember: Schedule promotional push notifications Saturday or late afternoon to fuel shopping prime time.
Real-Life Success: Meet TouchTunes

TouchTunes is a leading interactive music and entertainment platform, featured in over 65,000 bars, restaurants, and other social spaces across North America. Its mobile app has experienced strong growth and lets users find nearby jukebox locations to control their in-venue music experience from their smartphones. TouchTunes’ app has been downloaded over 6 million times and has a million monthly active users.
The Jukebox Campaign

TouchTunes is currently hosting its summer “Ultimate Jukebox Bar Crawl” sweepstakes which encourages consumers to visit TouchTunes locations and play songs all summer long to earn entries into the giveaway. Consumers can earn an entry into the drawing for a $5,000 dream vacation each day by simply playing a song at a unique TouchTunes location. As an extra incentive, TouchTunes gives away weekly prizes.
The Jukebox Campaign

To promote its sweepstakes and encourage check ins, plays, and purchases, TouchTunes sends dynamic messages to remind consumers about the program across platforms, and to update users on the number of entries they have earned on their Ultimate Jukebox Bar Crawl.
“At TouchTunes, we’re always looking for cool and unique ways to get our consumers to engage with our jukeboxes and mobile app. The Ultimate Jukebox Bar Crawl is all about encouraging consumers to get out and play the jukebox all summer long, thus increasing their engagement and purchase behavior. Thanks to Leanplum, we’ve been able to reach mobile users across multiple channels and enhance their experience throughout the contest with dynamic promotional messaging. Driving increased user engagement and keeping the sweepstakes top of mind has helped us realize a 14 percent increase in users with multiple venue check-ins and a 1.5 percent increase in users making a play. This in turn has helped drive an increase of in-app purchases throughout the course of the campaign.”

Rebecca Green, Mobile Marketing Director at TouchTunes
Promotional messages led to a 14% increase in users with multiple venue check-ins and a 1.5% increase in users making a play.
In this report, you learned that — yes! — push notifications increase the rate of purchases and lead to higher-value purchases.

1. Promotional push notifications drive 9.6x as many users to make a purchase.

2. Promotional push notifications drive users to spend 16 percent more money with you.

Push Notification → 9.6x Increased User Purchases

16% user spend with push
Sending a promotional push notification in the late afternoon leads to 2.7x more purchases.

Sending a promotional push notification on Saturday results in 2.2x more purchases.

On top of that, you learned some data-proven strategies that get you the most buck for your bang.
Boost App Revenue With These Reports

Find out what 63 percent of marketers do wrong with push notifications.

Learn how personalizing push can increase engagement 4x.

Discover how emojis can boost engagement 85 percent.

Get the 120 Power Words to lift push notification opens.
Ready to Drive More In-App Purchases?

Leanplum is the mobile marketing platform built for engagement. We help brands orchestrate multi-channel campaigns — from messaging to the in-app experience — all from a single, integrated platform.

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