



App Metrics Analysis

# Purpose of this document

The purpose of this document is to document the metrics that are required to install via a SDK, enabling App owners to measure the activity and success of their application.

# 1. Download and Installs

You should always know how many people have installed your app.

However, keep in mind that this metric alone will never be able to tell you about the real success of your mobile app. What if users downloaded your app because of a certain marketing campaign and never used it again or uninstalled it right away?

Still, the number of app installs is important because it lays the foundation for all other metrics you should track and analyze.

## 2. App Acquisition

App acquisition shows the effectiveness of your marketing campaigns and channels and will help you make the most of your marketing spend.

For example, if you're running multiple ads or campaigns, this metric will help you find what's working and what's not, so you can focus on investing in the problem areas.

### 3. Active Users

Active users regularly open and engage with your app. This metric is important because it shows how engaging and useful your app is to users.

According to Google Analytics, an active user is one who has opened and interacted with an app within the last 30 days.

Active users can be segmented into Daily Active Users (DAU) and Monthly Active Users (MAU).

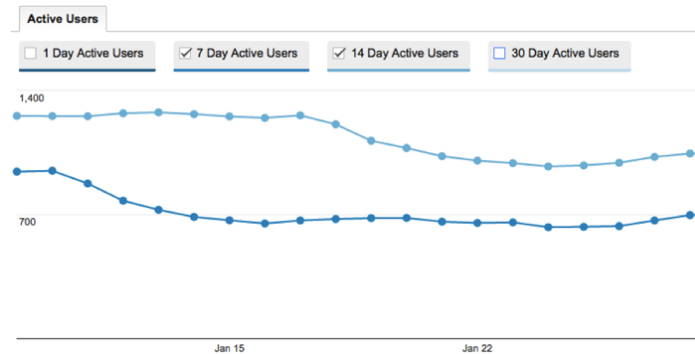
DAU measures the number of users who have a session with your app at least once a day

MAU is the number of users who have a session at least once a month

### 3. Active Users

You can measure DAU and MAU using most analytics tool.

Here is how Google Analytics typically shows active mobile app users:



The dark blue line shows 7-day active users, or the number of unique users who initiated sessions on your site or app over the last 7 days. The light blue line shows 14-day active users.

## 4. App Stickiness

The stickiness ratio shows how often users come back to your app.

To calculate stickiness, you just divide the DAU by the MAU. Multiply the result by 100 to get a percentage.

$$\text{Stickiness} = (\text{Daily Active Users} / \text{Monthly Active Users}) \times 100$$

The higher the percentage, the better. It means you have more MAUs sticking around long enough to become DAUs.

## 5. Average Daily Sessions per Daily Active User (DAU)

Average daily sessions per DAU shows how many times on average users open and engage with your app in one day.

Social media apps such as Facebook, Instagram or WhatsApp want their users to have a higher number of daily sessions on average.

Other apps that don't need to be used as much to be successful may be happy with a lower number.

### **How to Track Average Daily Sessions Per DAU:**

Average Daily Sessions Per DAU = Number of Daily Sessions / Number of DAU

## 6. Average Session Length

The average app session length tells you how much time a typical user spends interacting with your app in a single session.

This metric is important because it tells you how engaged your users are.

For example, if you have an e-commerce app, are users browsing products for longer periods of time? Or, do they close the app after just a few seconds?

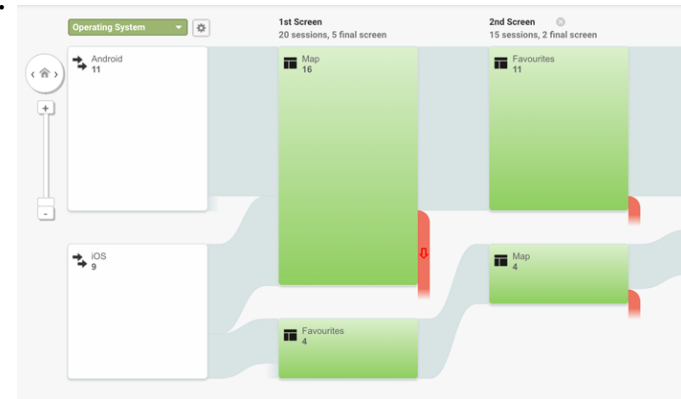
### **How to Track Average App Session Length:**

You can track average session length using Google Analytics or any other analytics tool

## 7. Screen Flow

Screen flow analysis breaks down how users interact with your app, screen-by-screen.

Here is what a typical report looks like:



For example, you can track exits by screen, find out the navigation path users take through different screens, and the total number of visits for each screen.

Screen flow highlights the problem areas in your app, such as the screen users interact with before they exit your app.

You can use this data to improve the problem areas and re-engage lost users.

## 8. Retention Rate

App retention rate measures how many users return to your app after using your app at another time. Simply put, retention measures how many users you retain after a set period of time.

People get bored easily. Retaining app users over time is one of the biggest challenges on your way to success.

This metric also may be useful if you implement new features or release a new update. It can help you find out if the new updates or features are keeping users engaged or driving them away.

### **How to Track App Retention:**

App Retention Rate % = (Number Users Retained at End of Time Period / Total Users at Start of Time Period ) x 100

## 9. Churn

App churn rate is the opposite of retention rate.

It tells you how many users stopped using your app after a given time.

How to Track App Churn Rate:

**$1 - \text{Retention Rate} = \text{Churn Rate}$**

## 9. Location Based Data

Location based data per user can be accessed if permission is granted by user.

Measuring Location Based Data will give you access to markets which have the most active users.

# Profitability Metrics

## Average Revenue Per User (ARPU)

This metric tells you how much revenue is being generated on average by each user in the form of subscriptions, in-app purchases, paid downloads, ad clicks, or any other app monetization channel.

This figure is important because it tells you the overall value a single user brings to your app.

## How to Track Average Revenue Per User (ARPU):

Average Revenue Per User (ARPU) = Total App Revenue in Given Time / Number Users in Given Time

# Profitability Metrics

## Return on Investment (ROI)

ROI measures the money you make (return) on the money you spend building and marketing your app.

### How to Track App ROI:

App Return on Investment (ROI) % =  $\frac{\text{Gain From investment} - \text{Cost of Investment}}{\text{Cost of Investment}} \times 100$

# Profitability Metrics

## Cost per Acquisition ( CPA )

In the beginning, it might seem like the total number of downloads or conversions are enough to tell you how well your app is performing.

But you need to know how much acquiring new users costs as well.

How to Track Cost Per Acquisition (CPA):

Cost Per Acquisition (CPA) = Total Cost of Campaign / Total Acquisitions or Conversions

# Profitability Metrics

## Lifetime Value (LTV)

App lifetime value (LTV) helps you identify how much value each customer brings to your app.

Remember, your LTV should always be greater than your CPA. If it isn't, it probably means you are paying too much for your customers.

The average number of years a customer stays with you, also known as the average customer lifetime, varies depending on the type of customers you have.

For example, if your target customers are aged 18–24, they might grow out of that age group after 4 or 5 years on average.

### How to Track App Lifetime Value (LTV):

App Lifetime Value (LTV) = Average Value of Conversion x Average Number of Conversions x Average Customer Lifetime

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