

Adapting Your Strategy to User Engagement Patterns:

Age & App Usage in the United States



Report Highlights

- Understanding the behavior of your customers can give you a significant advantage in the hyper-competitive app environment.
- Across all Android Phone users in the United States, average daily time in apps increased by approximately 40% between 2014 and 2015. Over the same time period, the average number of daily sessions increased by almost 30%, session length by nearly 10% and data consumption by more than 85%.
- On Android phones, the average user aged 13–24 spent more time in apps overall, had more app sessions, and consumed significantly more data than any other age group.
- US users aged 45+ present a significant opportunity, but their app usage on Android phones is increasing more slowly than any other age group. They may be underserved by the current app economy.
- Older users are heavier users of desktop-era services, whereas younger audiences have been quick to adopt newer functions.
 - Younger users rely on messaging apps, whereas older users prioritize email.
 - Older users spend more time in mobile browsers.
 - Younger users engaged with video streaming apps the most.
- The spending power and tech-savviness of 25–44 year olds in the US presents a significant opportunity for the retail sector, borne out by the segment's increased engagement with retail apps.

For details on the methodology used in this report, please refer to the appendix.

AGE: 13–24



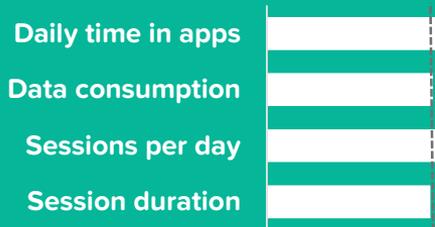
Average, All US Users

Short, frequent app sessions, and highest overall time per user.

Key Considerations

- Messaging apps used over email. Adapt your communications strategy.
- Frequent, short visits require streamlined UX and tailored communications and advertisements.
- Prolific app use and early adoption creates a retention risk.

AGE: 25–44



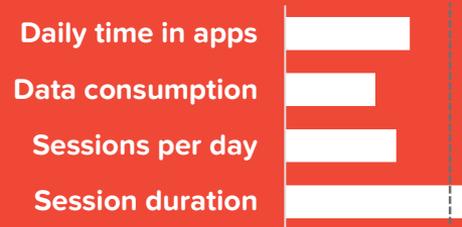
Average, All US Users

App engagement is close to the population average.

Key Considerations

- Relatively high retail app engagement, combined with spending power, indicate high-value consumers.
- App usage is growing quickly — strategies appropriate for the 13–24 age group may soon work for 25–44.

AGE: 45+



Average, All US Users

Low overall usage and session frequency, but longest sessions.

Key Considerations

- Engaging with apps for desktop-era activities on phones.
- Less overall contact time but longer sessions provide opportunities for deeper communication with users.
- May be underserved by current app market. Consider tailoring language and imagery used.

Contents

1. Introduction
2. App Usage Patterns by Age Group
3. The Under-Served Older Age Groups
4. Younger Users Adopt New Innovations Faster
5. The Mobile Retail Opportunity in 25–44 Year-Olds
6. Conclusion



USE RESTRICTIONS:

The information, materials, data, images, graphics, and other components of this report ("Report") are copyrighted and owned or controlled by App Annie unless otherwise noted. Unauthorized use of the Report may violate copyright, trademark and/or other intellectual property rights of App Annie and may give rise to a claim for damages and/or be a criminal offense. The Report may not be modified, copied, distributed, republished, uploaded, posted, decompiled, or transmitted in any way, without the prior written consent of App Annie.

Introduction

Understanding Your Customers Brings Success

From [retail](#) to [soft drinks](#), effective use of consumer insight gives a significant competitive advantage. Hugely successful companies are putting customer centricity at the heart of their core values.

This is also the case within the app economy. Some of the industry's biggest names, such as [Spotify](#), [Uber](#) and [Airbnb](#), found success by meeting the needs of their target audience more effectively than established players.

However, this level of success is rare in the hyper-competitive app markets. There are currently over four million apps available across the iOS App Store and Google Play, downloads and revenue [continue to increase at a rapid pace](#), and standing out has become increasingly difficult.

With apps intimately tied to customers' lives, we believe *knowing your audience* is key to success. Whether you're designing an app to appeal to a particular audience, looking for partners or identifying advertising opportunities, knowing who your customers are (and how apps fit with their lives) makes success much more realistic.

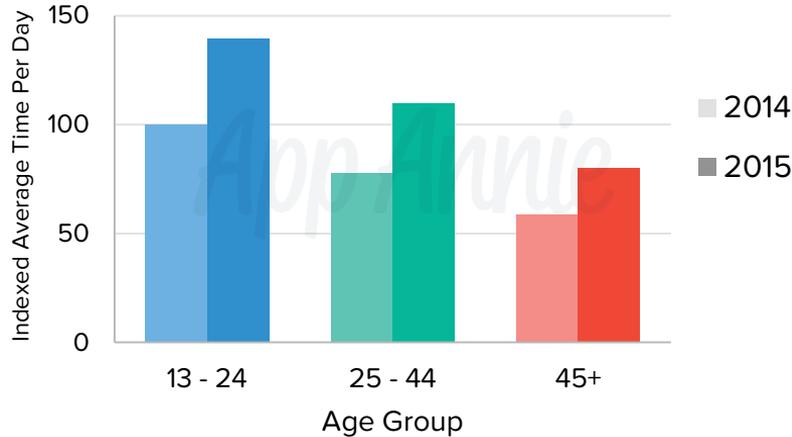
At App Annie, we're uniquely positioned to see the way different users engage with apps and how different strategies can deliver varying reactions across demographic groups. With app usage growing across the board in the United States, the opportunity is greater than ever.

App Usage Patterns by Age Group

Younger Users Lead in Engagement as Overall Usage Grows

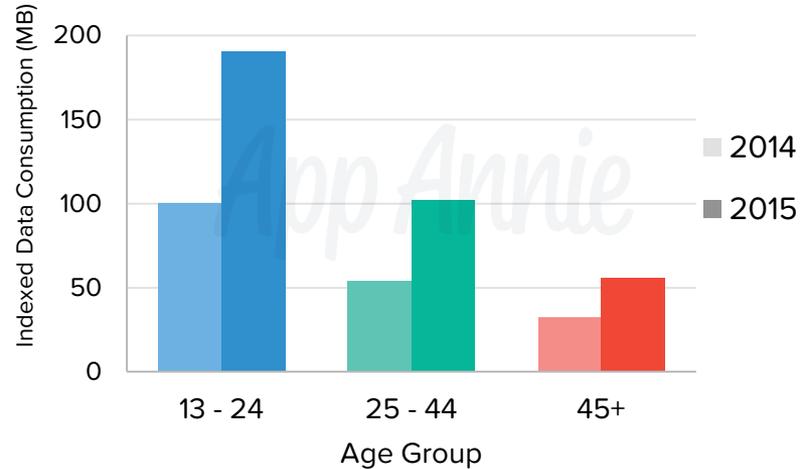
Average Daily Time in Apps Per User

United States, Android Phone



Average Daily Data Consumption Per User

United States, Android Phone



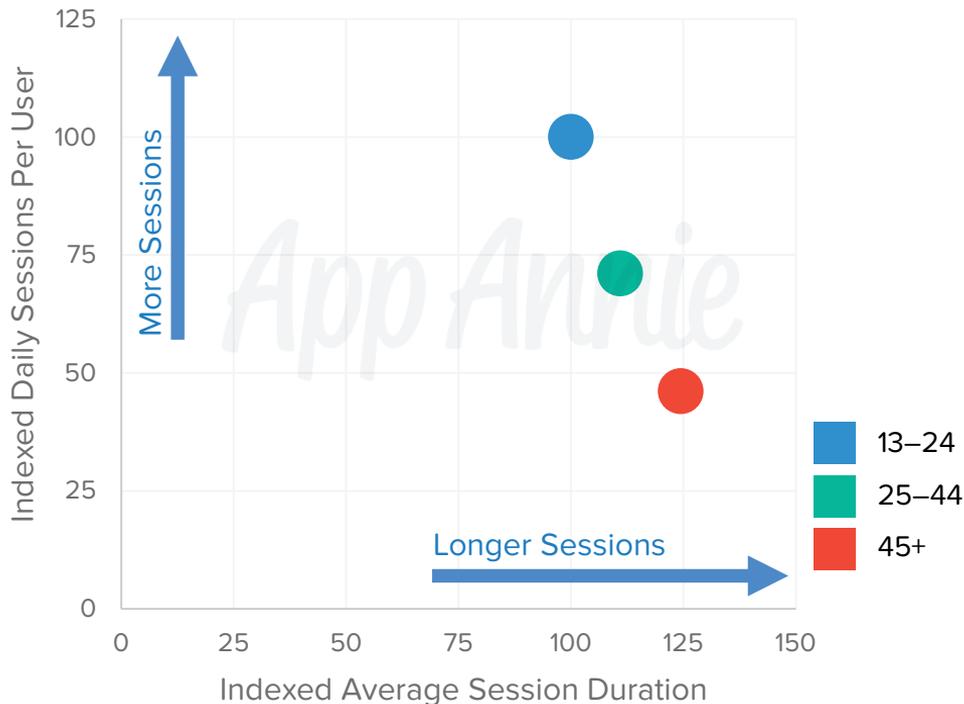
Average daily time in apps increased by approximately 40% between 2014 and 2015 across Android Phone users. Over the same time period, average daily sessions increased by almost 30%, session length by nearly 10%, and data consumption by more than 85%. Consumers in all age segments are spending more of their lives in apps.

Unsurprisingly, average data consumption and daily time spent in apps is highest among 13–24 year olds. On average, members of this youngest age group spent 75% longer in apps and consumed nearly 3.5 times more data than those aged 45+ in 2015.

Younger Users Engage in Frequent, Shorter Sessions

Average Daily Sessions Per User & Session Frequency

United States, Android Phone



Younger users have more daily app sessions than any other age group in the US. On Android phones in 2015, 13–24 year olds accessed apps more than twice as often as those aged 45+.

In contrast to the youngest age bracket, app sessions are longest for older users. Those 45+ spent, on average, 25% longer in apps during each session.

These behavioral traits indicate distinct requirements when considering the user journey:

- Younger groups are more likely to be quickly in and out of an app; you need to gain their attention quickly and ensure their journey is streamlined.
- Older users give you more time to engage, but you need to make the most of it as they'll be visiting less often.

Usage Behavior Reveals Underlying Motivations

The differences in app usage behavior between age groups could suggest underlying motivations for app usage. Understanding these motivations can identify strategies that will best build engagement:

1. Older age groups are currently underserved and using apps like they would desktop programs.

2. Apps are a part of life for younger users, making them faster to adopt new innovations and features.

3. 25–44 year-olds are a segment with high opportunity for mobile retailers.

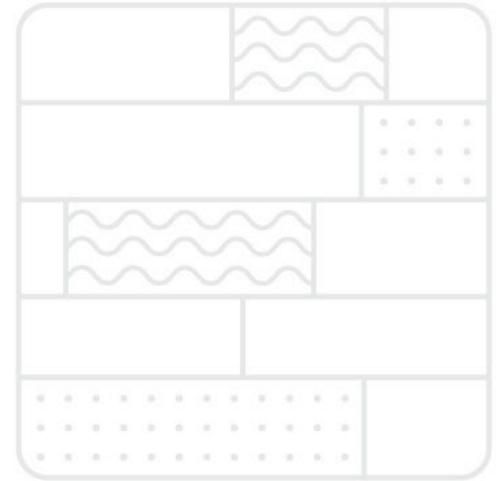
The Under-Served Older Age Groups

Older Age Groups Are an Opportunity for Growth

The significant spending power of older consumers presents a sizeable and growing opportunity for the US app economy.

In 2014, users over 45 contributed more than [60% of all consumer expenditure in the US](#), with 45–54 year-olds alone contributing more than 20%. By the 2030's, over-60's are estimated to contribute more than [50% of the US's GDP](#).

There is also significant headroom for increases in smartphone penetration among older age groups, whereas younger segments are closer to saturation. We could see an influx of new, older-aged users in the coming years.



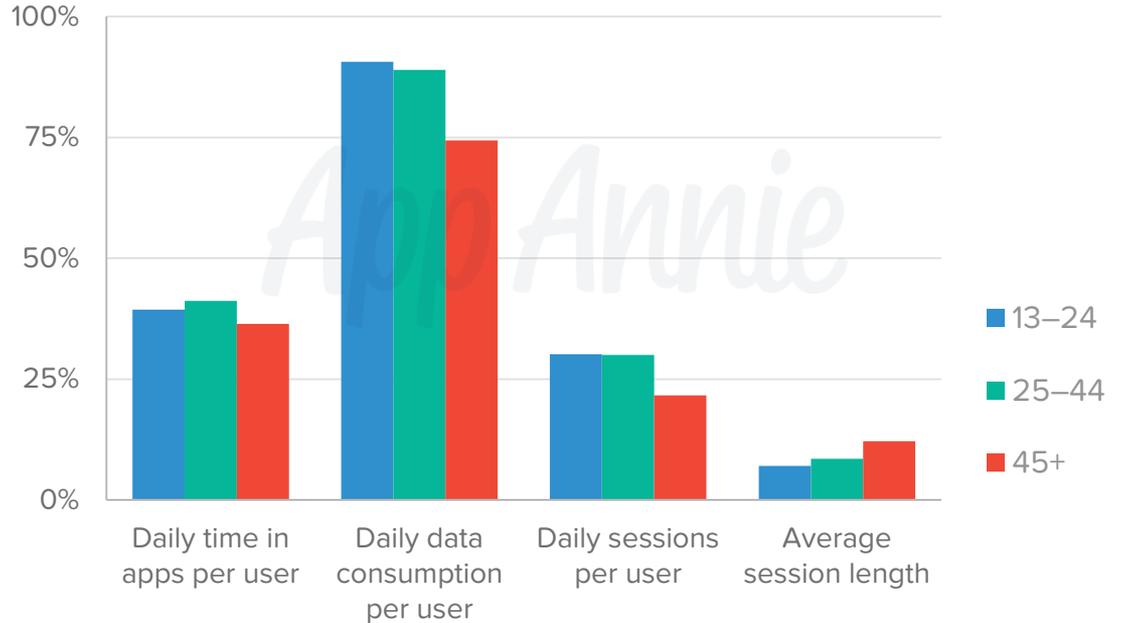
Are Older Users Under-Served?

As we've demonstrated, all key usage metrics are increasing in the United States.

Even though these increases were apparent across all age groups, annual growth was noticeably higher within the 13–24 and 25–44 age brackets for all metrics except average session length.

The 45+ age group is falling behind in those areas. Looking more closely at users' behavior in this group can help identify more effective ways to engage with this valuable segment.

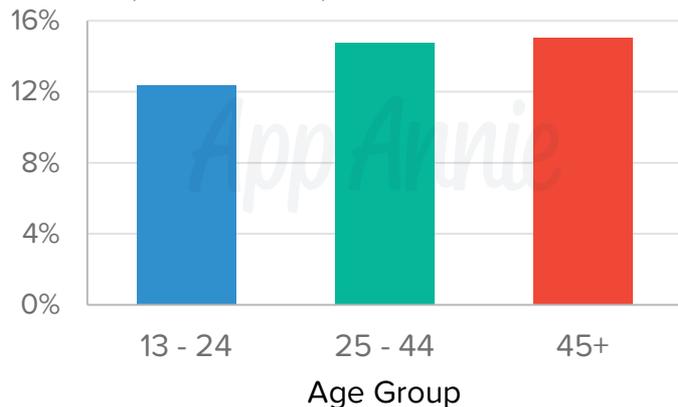
Growth in Key Usage Metrics, 2014 to 2015
United States, Android Phone



Older Users Are More Likely to Use Apps for Traditional Services

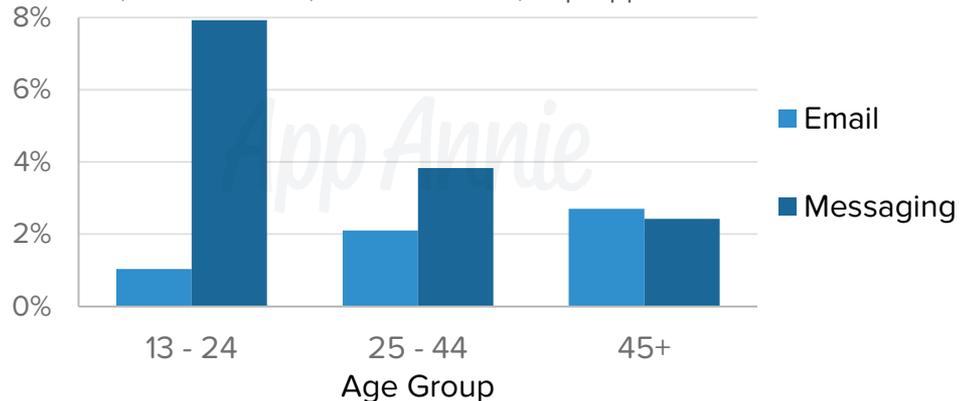
Share of Usage Time Spent in Top 5 Mobile Browsers

2015, United States, Android Phone



Share of Usage Time Spent in Top 5 Email & Messaging Apps

2015, United States, Android Phone, Top Apps*



Over-45's are more likely to use apps that replicate desktop-era functions. In 2015, Android Phone users 45+ spent a higher share of their time in the top 5 mobile browsers than any other age group. They also spent a greater share of their overall app usage time in the top 5 email apps on Android Phone, and significantly less time in the top 5 messaging apps.

There is an opportunity to embrace this desktop-era familiarity among older age groups to build tailored experiences that will improve engagement.

How to Adapt to the Usage Patterns of Older-Aged Users

Older users are accessing apps less frequently, and for a lower time overall, relative to other age groups.

App publishers and advertisers have less opportunity to make an impact and need to maximize the value of this contact time. However, there are a number of options publishers can use to build engagement:

Key Considerations

- When developing apps, can familiar features from traditional channels be incorporated to make onboarding more intuitive and engaging?
- As smartphone penetration and app usage continues to grow among older groups, many first-time app users will be entering the market. When targeting this audience, ensure your user experience is intuitive for those new to mobile apps.
- Consider the imagery and language you use in your app or advertisements. The cosmetics industry is [increasingly using older models](#) to capture the attention of this high-spending group without changing the underlying product.
- Be aware you will have less contact time with this audience overall, but each exposure will be for a longer period of time. You have longer to communicate, so maximize the opportunity.

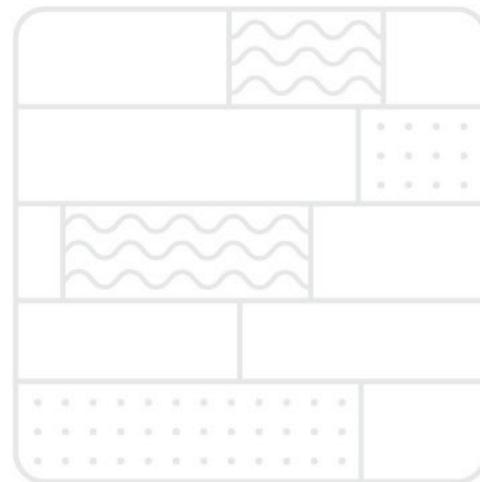
Younger Users Adopt New Innovations Faster

Younger Users Are Key Early Adopters

While older users are extending the services they already use to other devices, younger users are readily adopting services specifically designed for mobile.

In 2015, time spent in apps, session frequency and data consumption were highest for the 13–24 age bracket on Android Phone. For younger users, apps are a major part of their lives and as this group continues to grow in professional and economic power, their preferences will influence the way we use technology.

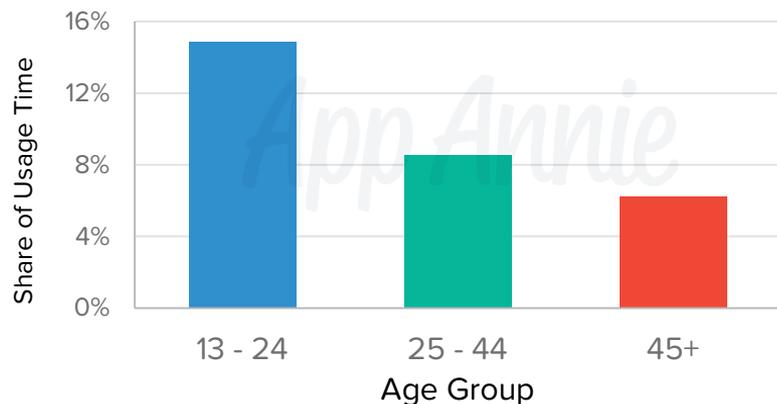
Messaging is a key example. We have shown that 13–24 year-olds are much more likely to use messaging apps than email and spend more than 3.5 times overall usage time in messaging apps compared to those over 45 years old. Facebook has already started responding by planning major expansions to B2C communications, m-commerce and product discovery for [WhatsApp](#), [Messenger](#) and [Facebook Messenger](#). Electronic communication in the US may soon resemble some Asian markets where messaging platforms like [KakaoTalk](#) and [WeChat](#) dominate.



Younger Age Groups Stream Video the Most

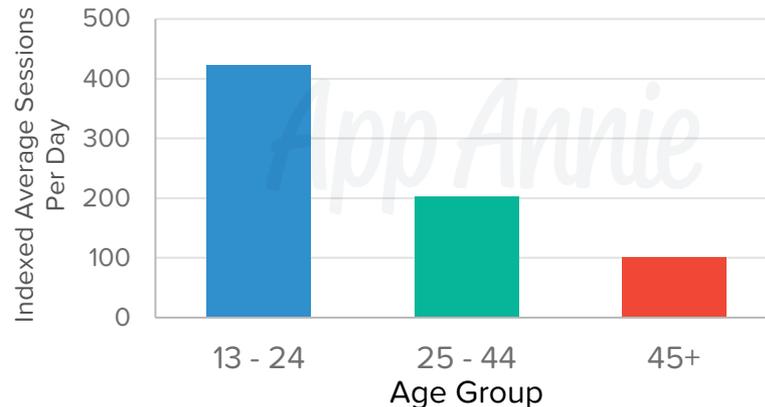
Share of Overall Usage Time Spent in Top 5 Video Streaming Apps*

2015, United States, Android Phone



Average Daily Sessions Per User in Top 5 Video Streaming Apps*

2015, United States, Android Phone



Video streaming is a prime example of mobile-first behavior among younger age groups.

In 2015, the share of time 13–24 year-olds spent in the top 5 video streaming apps on Android phones was over double that of those aged 45+. 13–24 year-olds also accessed these apps more than 4 times as frequently in an average day.

How to Adapt to the Usage Patterns of Younger Users

Younger users are the heaviest app users on Android Phone and are the most likely to embrace mobile services. This makes them prime targets as early adopters as they appear comfortable acting as trailblazers for products with a new value proposition.

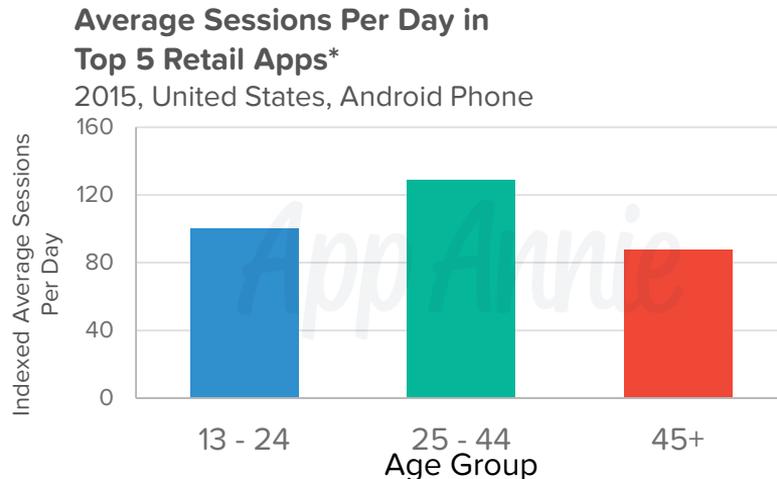
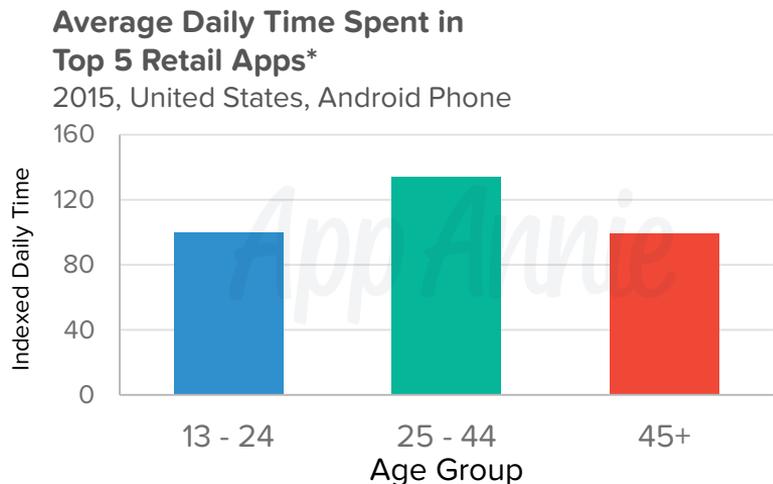
However, if you are targeting this group, their behavior should be considered when tailoring your strategy.

Key Considerations

- Ensure you are using appropriate communication channels. Is email really the best option for B2C communications, or is an advertising campaign better? Messaging apps, social networks or even something entirely different may be more effective and more valued by your customers.
- Prepare for younger users' tendencies to use apps for frequent, shorter sessions. When designing apps, ensure your user journey is streamlined, take their innate capability into account and minimize barriers and explanations that artificially extend session time. If advertising, make sure you have sufficient variety and clarity to be effective over multiple, brief impressions.
- When finding users for your own app, consider apps with a similar age profile as a source for acquisition. Younger users' willingness to try new services could make acquiring them easier. However, this novelty-seeking behavior makes this group a retention risk. Look at threats to your own audience base; which other apps are your target audience using and could your existing users be drawn away by?

The Mobile Retail Opportunity in 25–44 Year-Olds

25–44 Year-Olds Are Ready for the Mobile Retail Revolution



As expected, the 25–44 age bracket is a mid-point for many app usage measures. Overall usage time, session frequency, session length and data consumption all land between the oldest and youngest age groups.

However, one area where they do stand out is retail. 25–44 year-olds spent the most time in the top 5 retail apps on Android Phone, and accessed them most frequently. This middle age group appears to offer a balance between spending power and comfort using mobile services, creating a significant opportunity for those in the retail sector.

Whether you are looking to sell your products via mobile, advertise or provide an app to enhance the in-store experience, targeting this group may offer an effective strategy.

Conclusion

Key Takeaways

App usage is increasing by all measures on Android Phone. Between 2014 and 2015, average daily time in apps, app data consumption per user, number of daily sessions per user and session length per user increased across all age groups. Overall, consumers are spending more of their lives in apps.

We've also noted distinct differences in the way different age groups engage with apps:

- **Younger users (age 13–24)** have been faster to embrace the app economy, spending longer in apps overall and accessing them more frequently. You also have more scope to innovate — new features unique to the mobile platform are more likely to be adopted by this age group. Prolific app use and early adoption makes them an easier target for acquisition, but also a retention risk. Also, traditional communication strategies may no longer be the most effective. Are you talking to younger users through the channels they are actually using?
- **Older age groups (age 45+)** present a significant economic opportunity, but appear to be relatively underserved by the current app economy. Embracing their use of desktop-era services, incorporating familiar elements into your user experience and ensuring your communications are tailored to their usage patterns could help engage this valuable market segment.
- **25–44 year-olds** are not simply a mid-point between the youngest and oldest app users. Their spending power and tech-savviness presents a significant opportunity to the retail sector, borne out by this group's increased usage of retail apps.

Ultimately, a strong understanding of user behavior can offer a business significant competitive advantage, and when developing products as central to users' lives as apps, strong consumer insight could be the key differentiator.

About App Annie

App Annie is the largest app intelligence platform, delivering powerful market data and insights to succeed in the app economy. Over 500,000 mobile app professionals rely on App Annie to better understand the app market, their app business and the opportunities around them. The company is headquartered in San Francisco with 425+ employees across 15 global offices. App Annie has raised \$157 million in funding from investors such as e.Ventures, Greycroft Partners, IDG Capital Partners, Institutional Venture Partners, Sequoia Capital & Greenspring Associates. Learn more at www.appannie.com.

Report methodology and updates are available [here](#).

Appendix

Top Apps of 2015 by MAU

United States, Android Phone, App Annie-Defined Categories

Rank	Email App	Messaging	Video Streaming	Retail	Mobile Browser
1	 Gmail	 Snapchat	 YouTube	 Amazon	 Chrome Browser
2	 Yahoo Mail	 Facebook Messenger	 Netflix	 Walmart	 Samsung Internet
3	 HTC Mail	 Skype	 Google Play Movies & TV	 Amazon Shopping	 Firefox Browser
4	 Outlook.com	 WhatsApp Messenger	 NFL Mobile	 Cartwheel	 Dolphin
5	 AT&T Mail	 Viber	 Hulu	 Etsy	 HTC Internet