

State of in-app subscriptions in the **US 2023**

Learn the latest benchmarks on iOS subscription LTV, retention, renewals, refund rates, price changes, and the best performing paywalls.

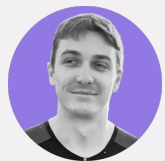


The app market is tough, yet it's growing fast

“ The mobile app business has been steadily growing since the App Store and Google Play launched. Despite recent challenges, new developers and apps are at an all-time high.

Factors such as **inflation, privacy and data regulations, and the deprecation of IDFA** have transformed the way customers interact with subscriptions, both in the short and long terms.

Now is the perfect time for us to provide a market overview and demonstrate how apps sell their products today. We believe you'll find this report to be incredibly useful as a benchmark or as a source of valuable insights for your app growth strategy.



Vitaly Davydov,
CEO at Adapty

The report is based on the anonymized US market data

30M

 transactions

6.5M

 users

13K

 paywalls

Privacy

The data was analyzed with respect to the apps and developers' privacy. We processed the data in batches and added a bit of randomness to our results.

The US is still the largest market for selling mobile subscriptions

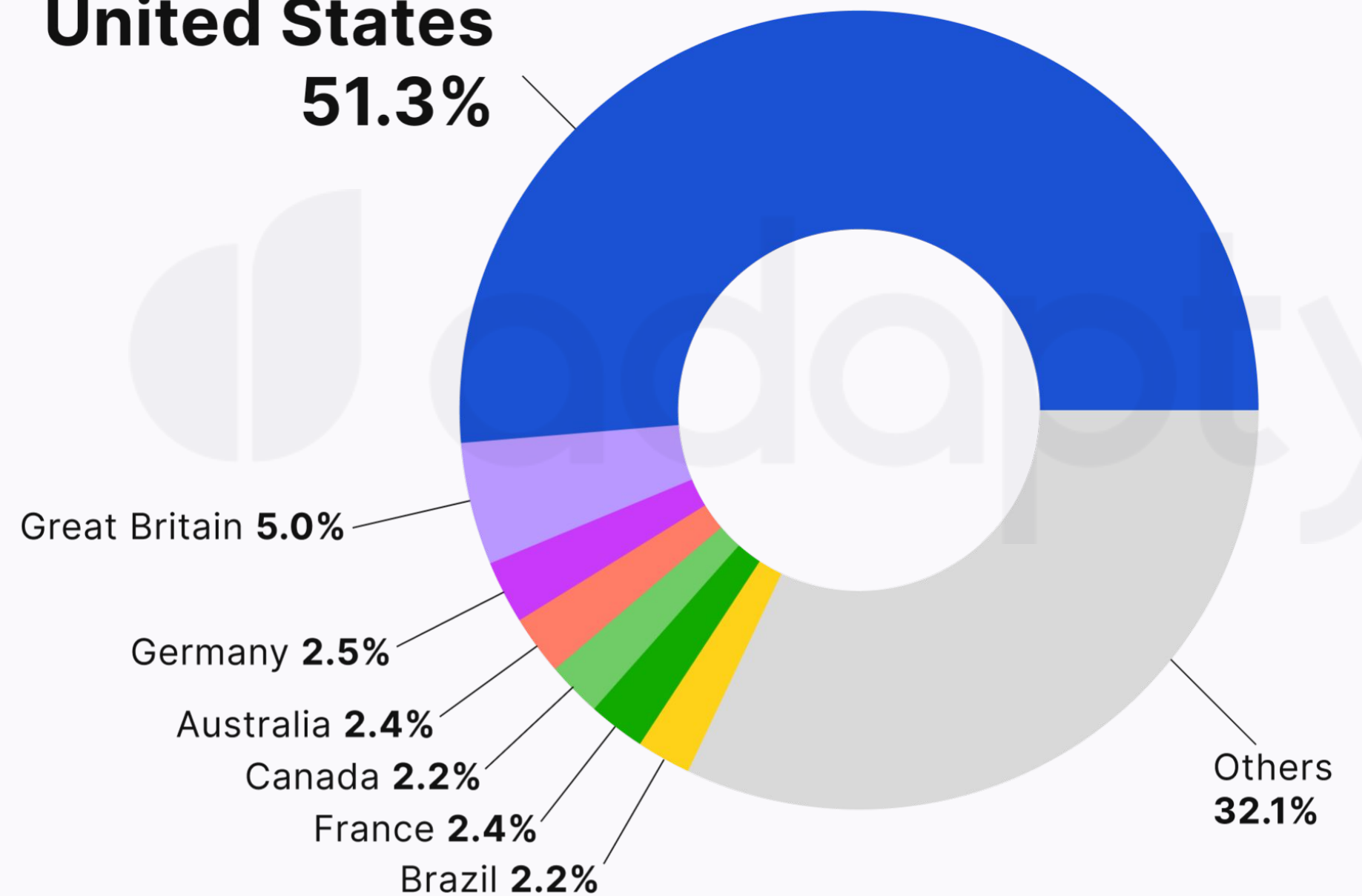
We're presenting a comprehensive market research report for app developers and publishers, focusing on the current state of the iOS subscription market, notable changes since 2022, macroeconomic shifts, and other related factors.



The US holds the largest share in the mobile app subscription monetization market, accounting for 51% of all subscriptions.

Subscription market shares by countries

United States
51.3%



We divide the market by Low, Mid and High price segments

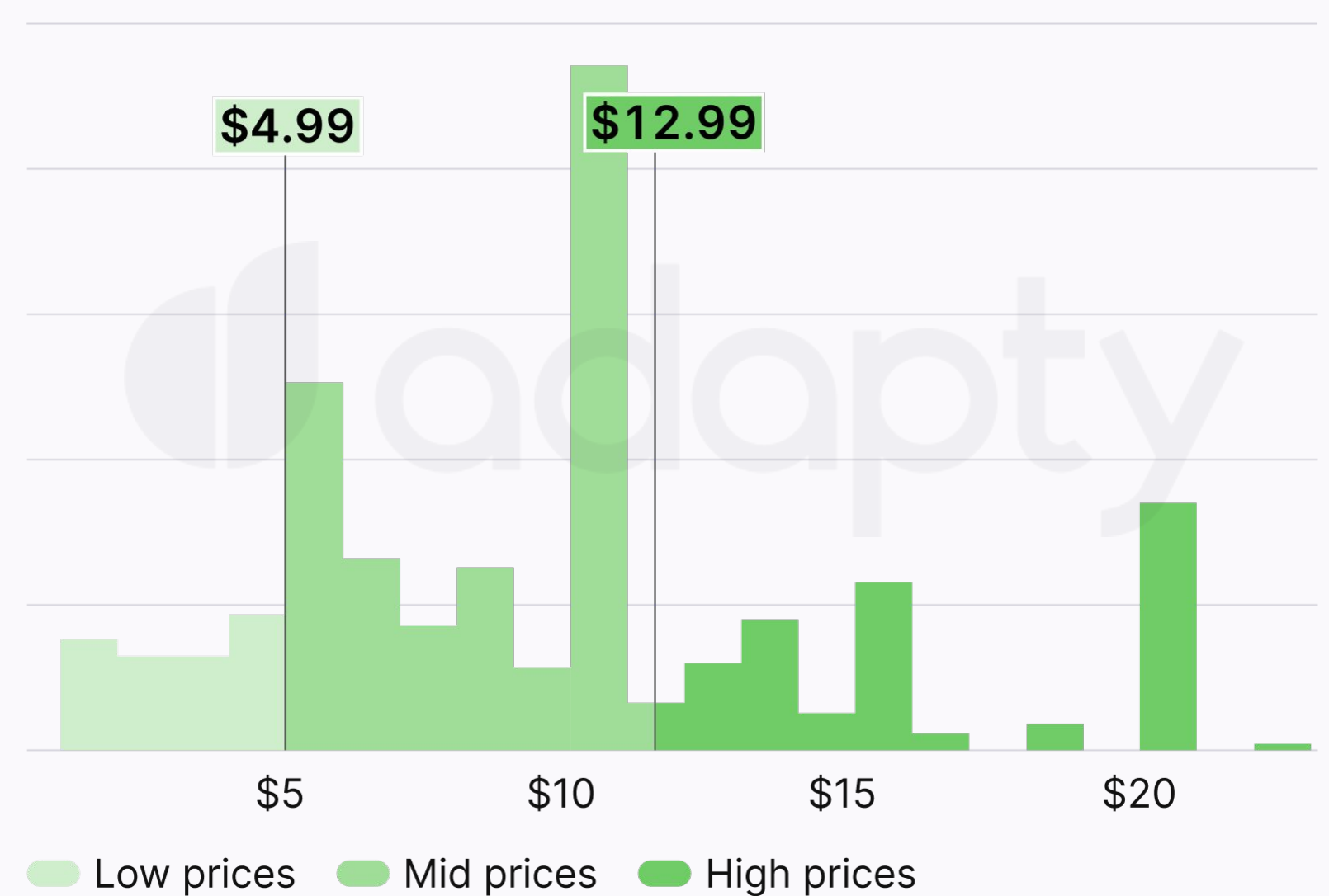
Weekly price distribution

Weekly — low is below \$3.99 per week, high is above \$7.99, and mid is in between.



Monthly price distribution

Monthly — low is below \$4.99 per month, high is above \$12.99, and mid is in between.



Subscription price is growing up to 2.3% MoM

Since the beginning of 2022, as the world grapples with macroeconomic challenges and an increase in the inflation rate, we have observed a similar trend in the subscription market. **On average, we see a 1.29% MoM growth in mobile subscription prices across all subscription tiers.**

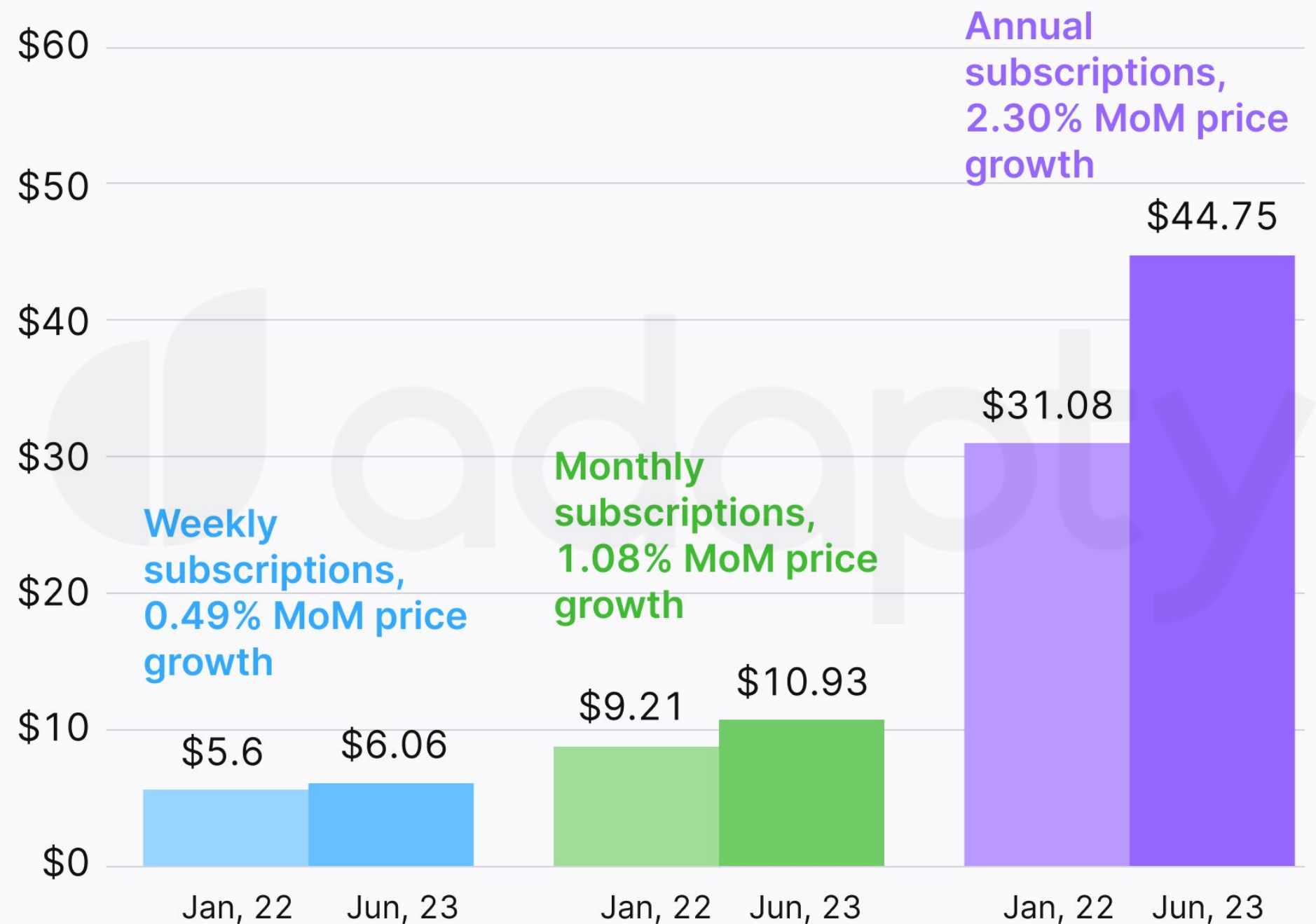
“ We believe there are several reasons for this trend, including:

- Escalating inflation;
- Higher cost per acquisition (CPA) prices for paid ads;
- Long-term effect of IDFA.



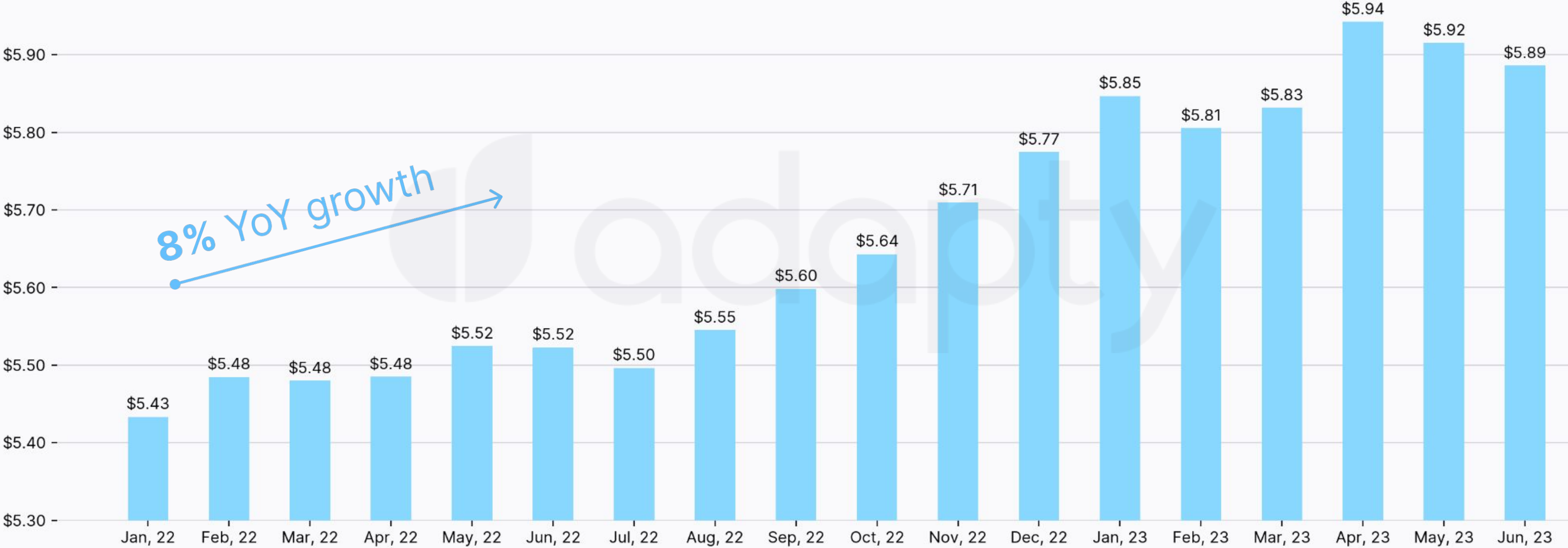
Dima Podoprosvetov,
CBDO at Adapty

Subscription price changes January 2022—June 2023



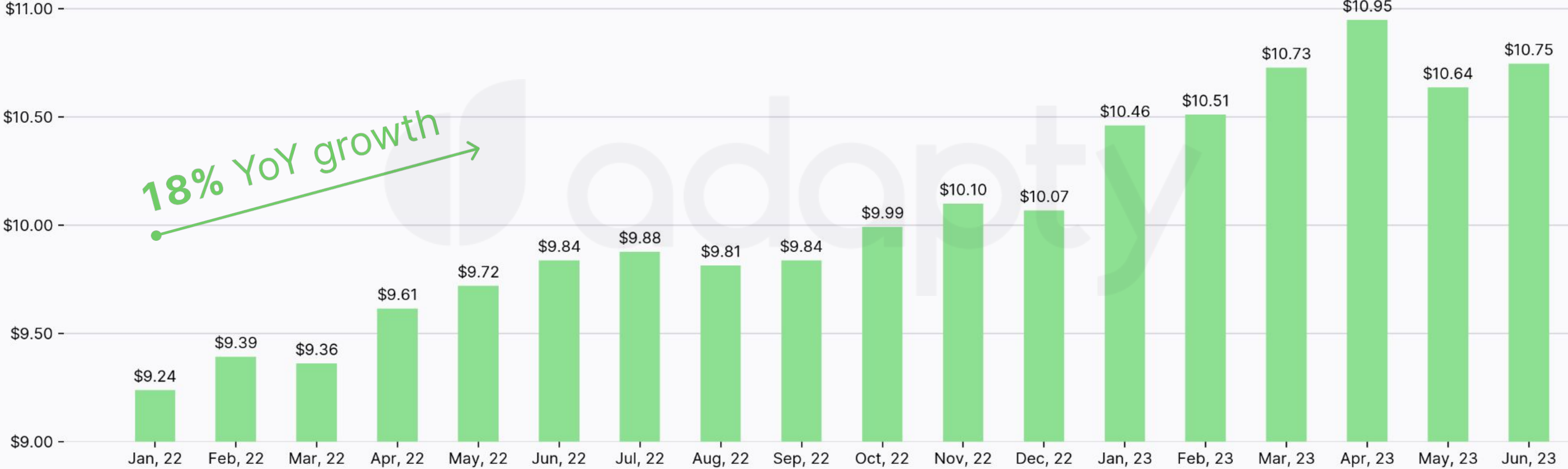
Weekly subscriptions have grown by 8% YoY

Average weekly subscription price.



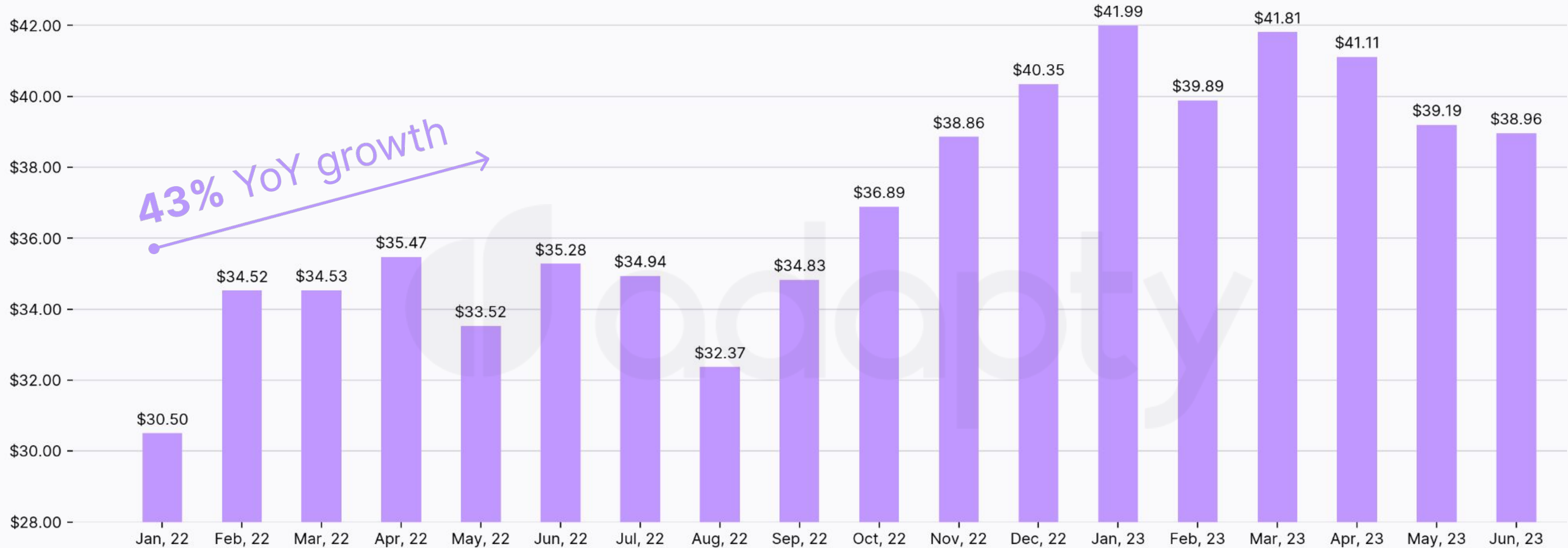
Monthly subscriptions have grown by 18% YoY

Average **monthly** subscription price.



Annual subscriptions have grown by 43% YoY

Average **annual** subscription price.



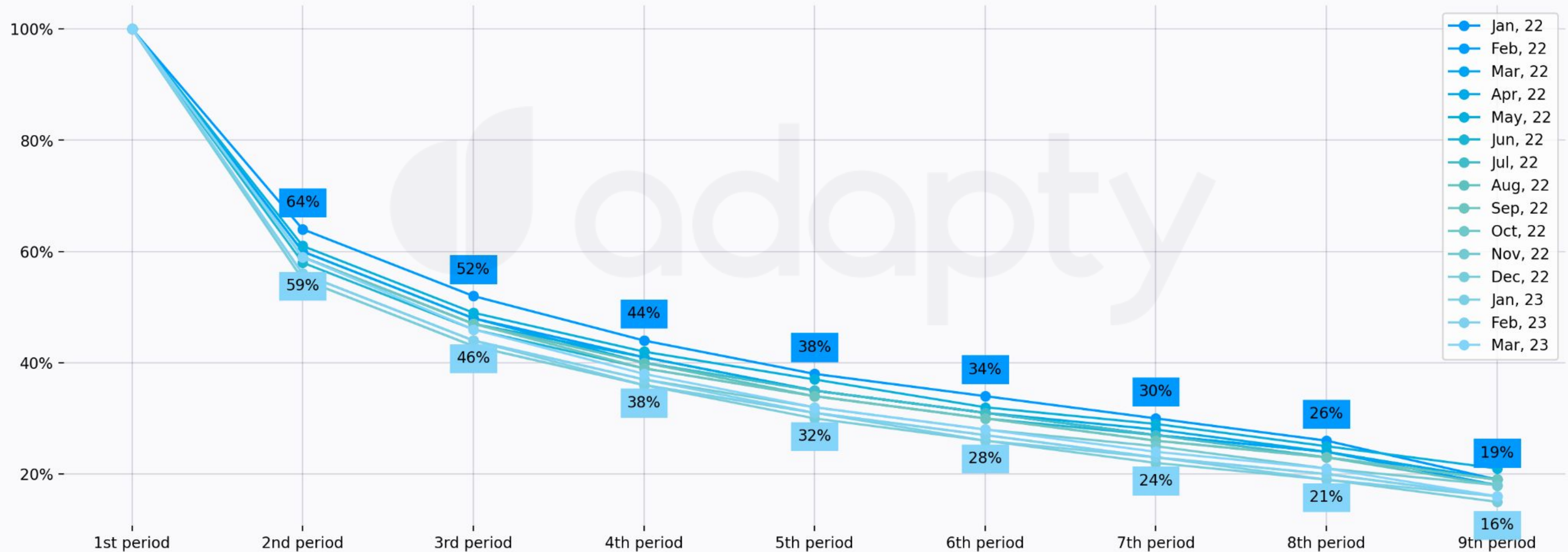
“ Among other subscriptions, annual subscriptions show the largest year-over-year growth rate in pricing.



Dima Podoprosvetov, CBDO at Adapty

The newer weekly subscription cohorts repay worse, showing a decrease of over 5% YoY

Cohort renewals for weekly subscriptions.



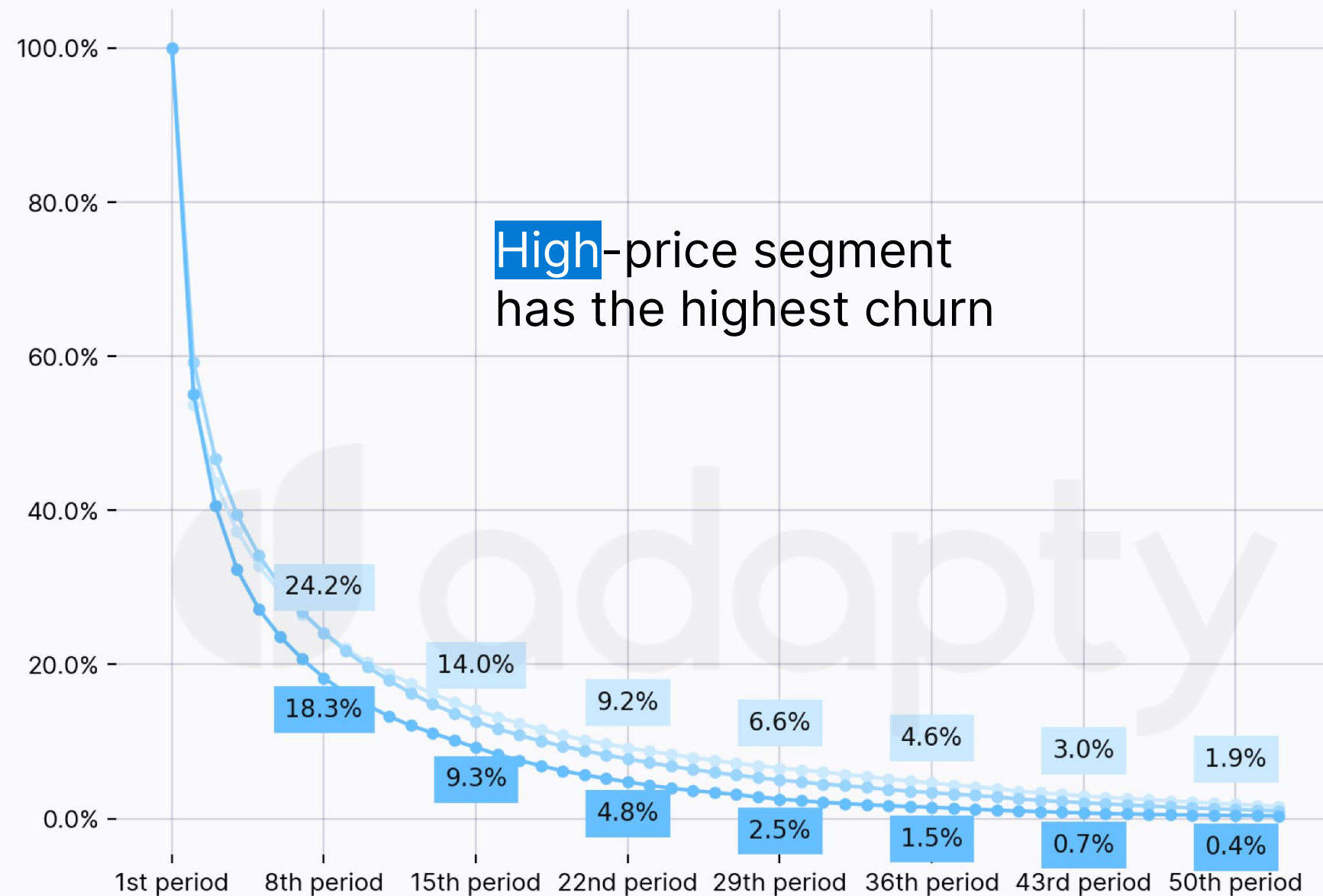
Monthly subscriptions' retention has decreased by 10% YoY

Cohort renewals for **monthly** subscriptions.



Always lean towards the High-price segment when selling weekly or monthly products

Renewals of weekly subscriptions for **Low**, **Mid** and **High** price segments.

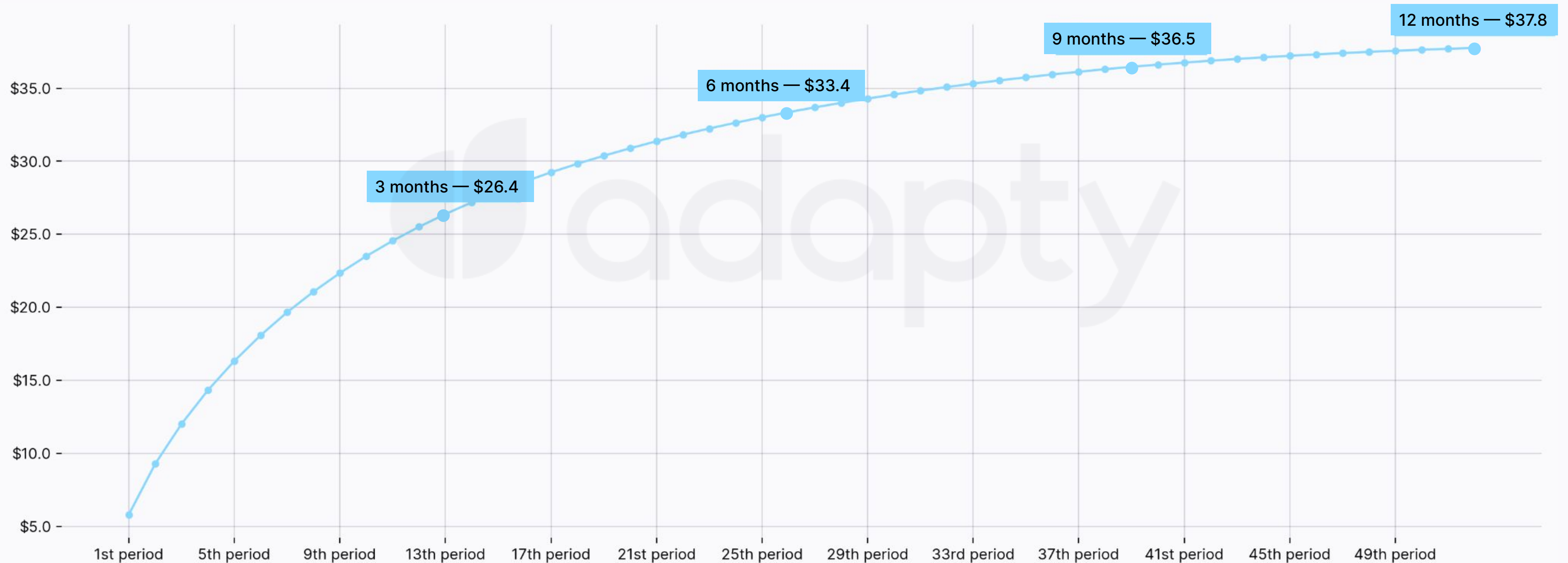


Renewals of monthly subscriptions for **Low**, **Mid** and **High** price segments.



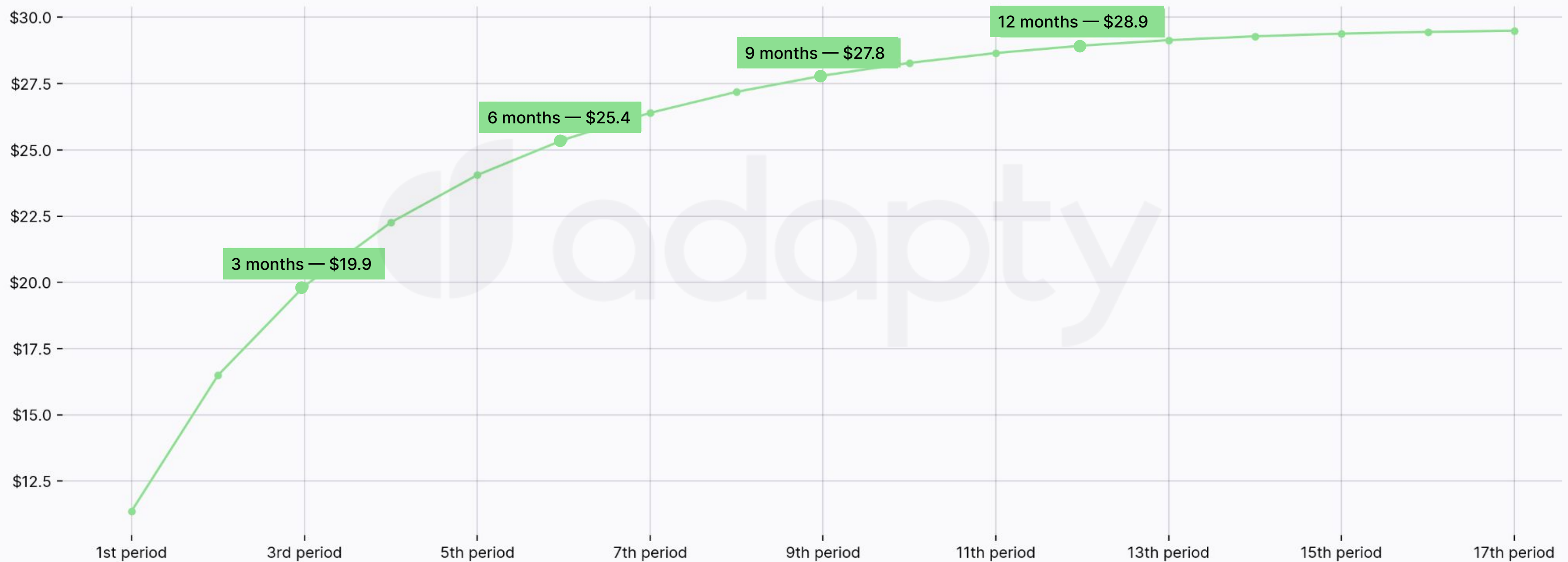
Weekly subscriptions have higher LTV compared to the monthly, but lower compared to the annual

The LTV of **weekly** subscriptions by renewal periods.



Monthly subscriptions have the lowest LTV

The LTV of **monthly** subscriptions by renewal periods.



Annual subscriptions still have the highest LTV

The LTV of **annual** subscriptions by renewal periods.



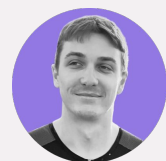
High-priced products have the highest LTV

LTV of the **Low**, **Mid** and **High**-price segments.



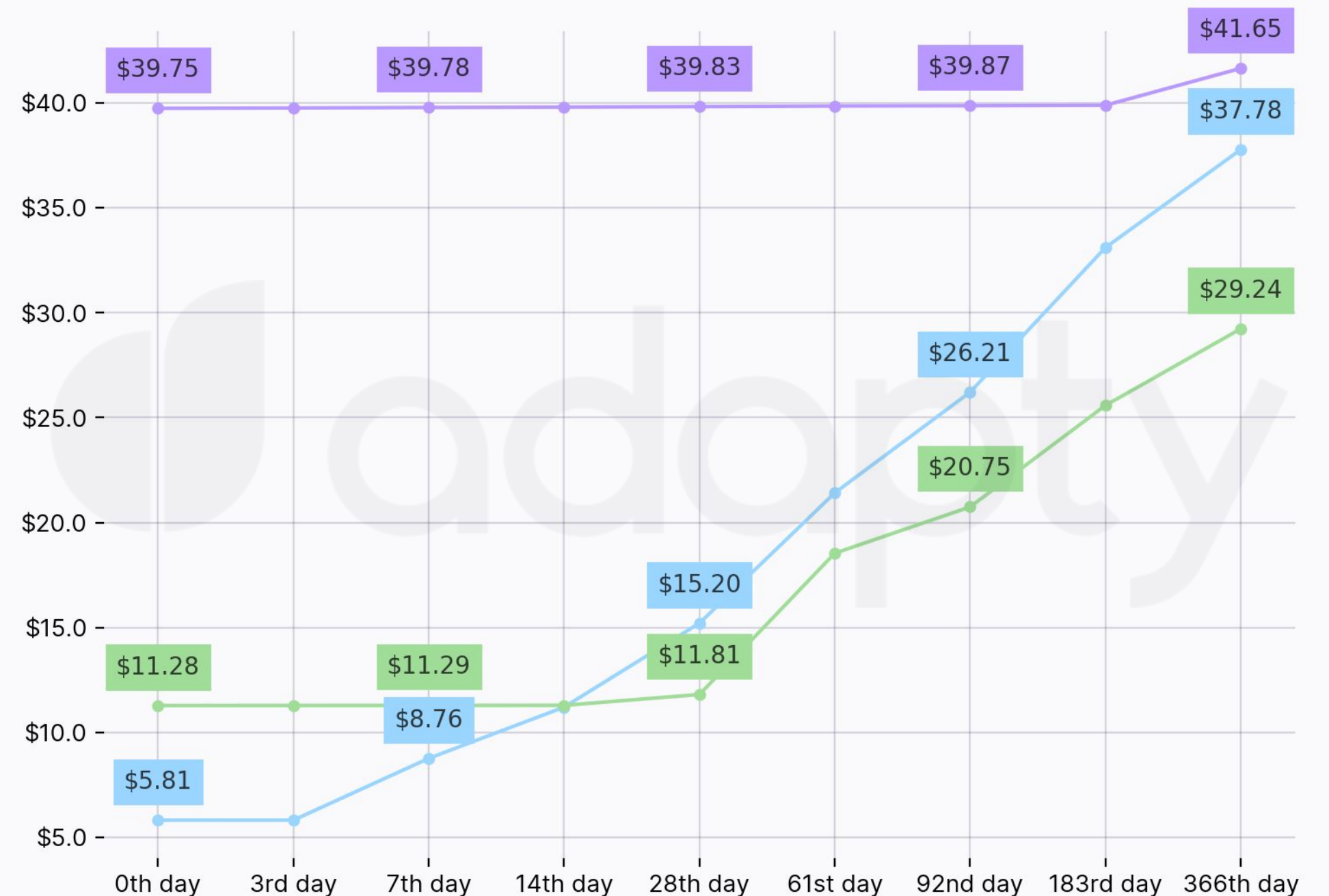
Annual subscriptions dominate the market with one-year payback

“ We see a decline in subscription retention, while the pricing is increasing. The reason for this is to maintain or elevate the LTV to align with the CAC. Annual subscriptions generate quick liquid cash, enabling devs to reinvest in user acquisition. On the other hand, theoretically, monthly or weekly subscriptions show superior performance starting from the second year.



Vitaly Davydov,
CEO at Adapty

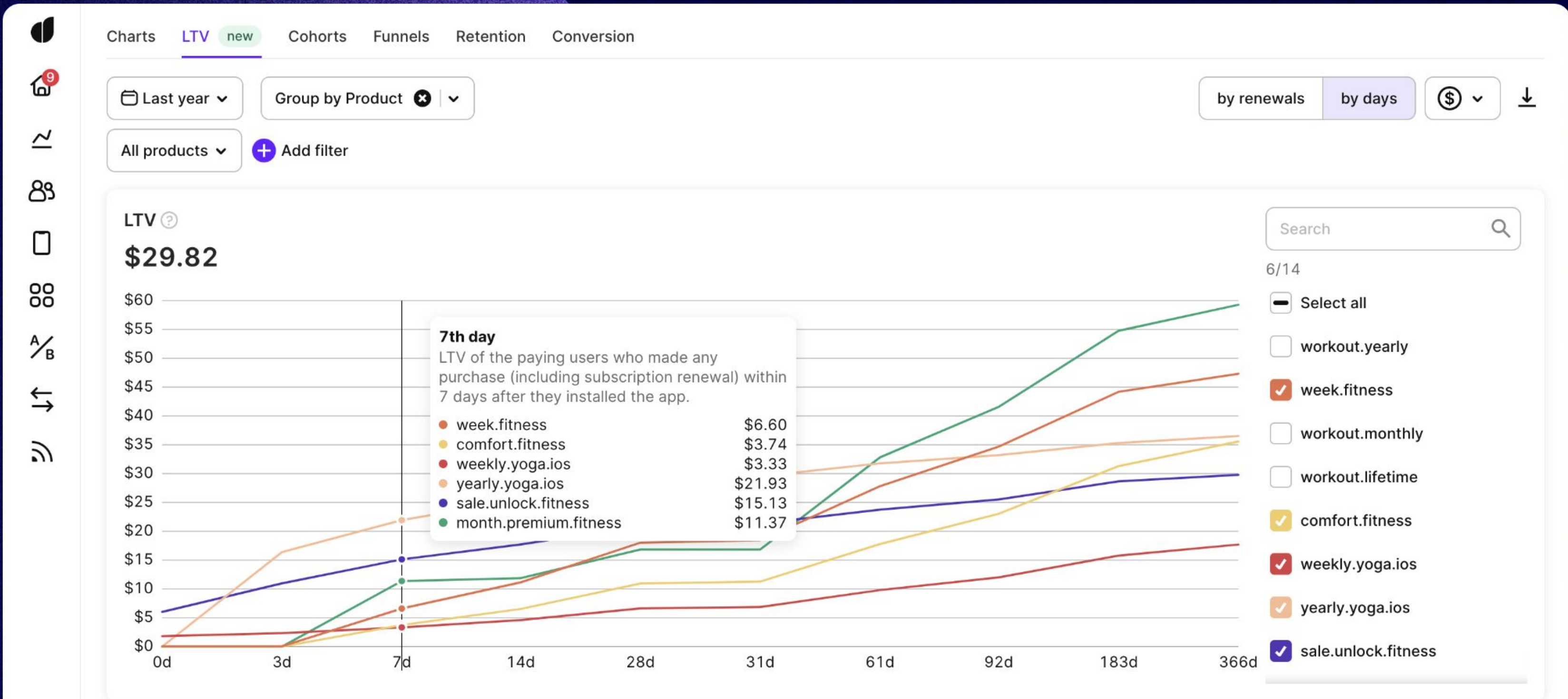
The LTV of weekly, monthly, and annual subscriptions by days.



Instantly calculate LTV of your app with Adapty

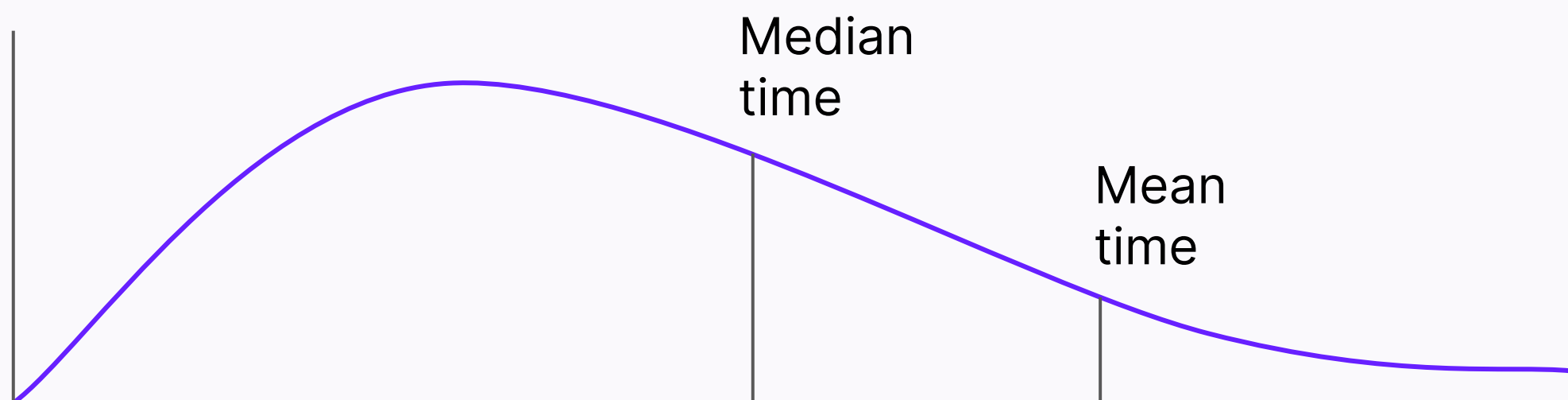
Schedule a demo

Start for free

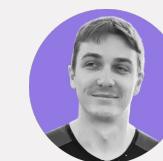


App Subscription Lifecycle: From Installation to Cancellation

Conversions	Median time	Mean time
Install → Trial activation	~ 1.5 min	~ 10 min
Install → Subscribe	~ 5 min	~ 53 min
Trial → Cancellation	~ 5 min	~ 28 min
Subscription start → Cancellation	~ 13 min	~ 38 min



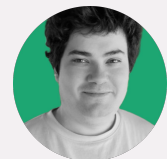
“ Our analysis of in-app subscriptions reveals two main trends: users frequently subscribe and unsubscribe quickly during onboarding, and there’s a ‘long tail’ in engagement times. Most users act rapidly, with a median time of 1.5 mins from install to trial, but the mean extends to 10 mins, indicating a significant number take longer. This pattern of varied engagement paces is consistent across all metrics.



Vitaly Davydov,
CEO at Adapty

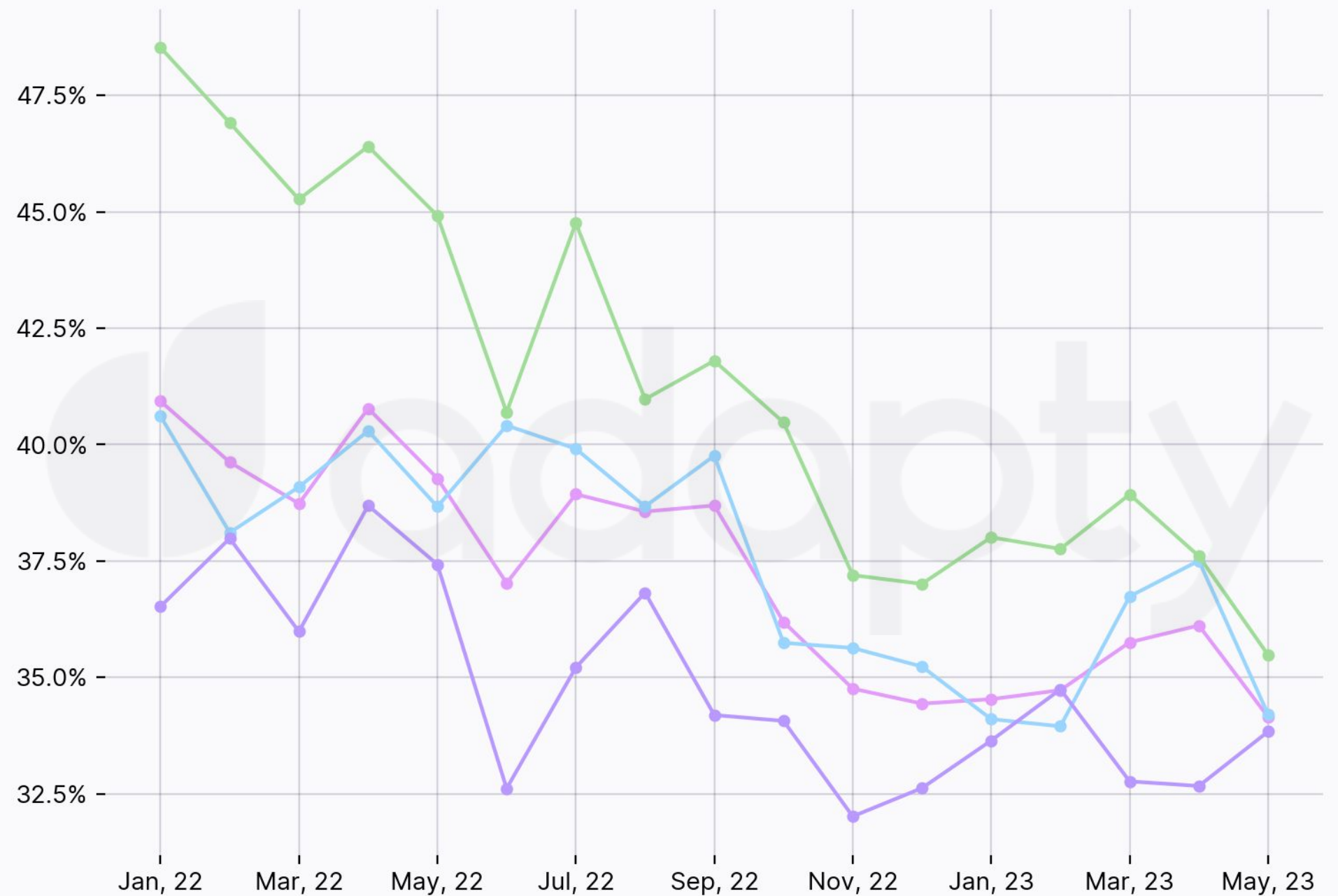
Trial conversion churn is up by 20%

“ Trial churn is a normal part of a sales funnel. However, we have observed an increase in trial churn during Q2 2023, indicating a decline in subscription retention.



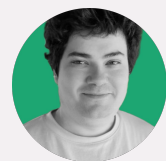
Kirill Potekhin,
CPO at Adapty

The trial-to-paid conversion for weekly, monthly, annual subscriptions and overall.



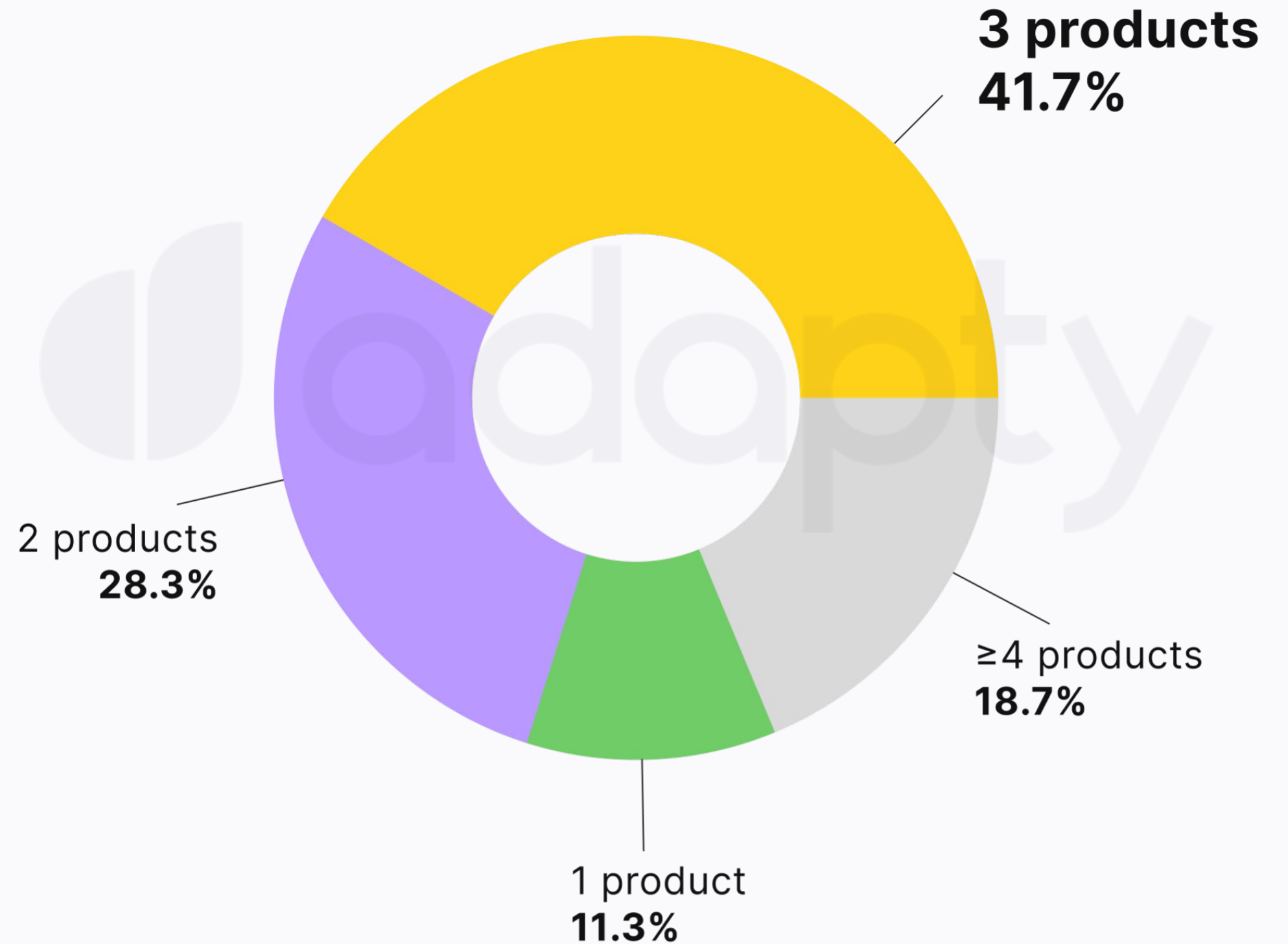
The most profitable paywall is a combination of 3 products

“ With millions of paywall configurations available for developers, we still see that the 3 product offer is the most profitable combination on the market. We think it helps marketers better highlight the most favorable price for the right subscription product in comparison with the other two.



Kirill Potekhin,
CPO at Adapty

Revenue distribution by the number of products on paywalls.



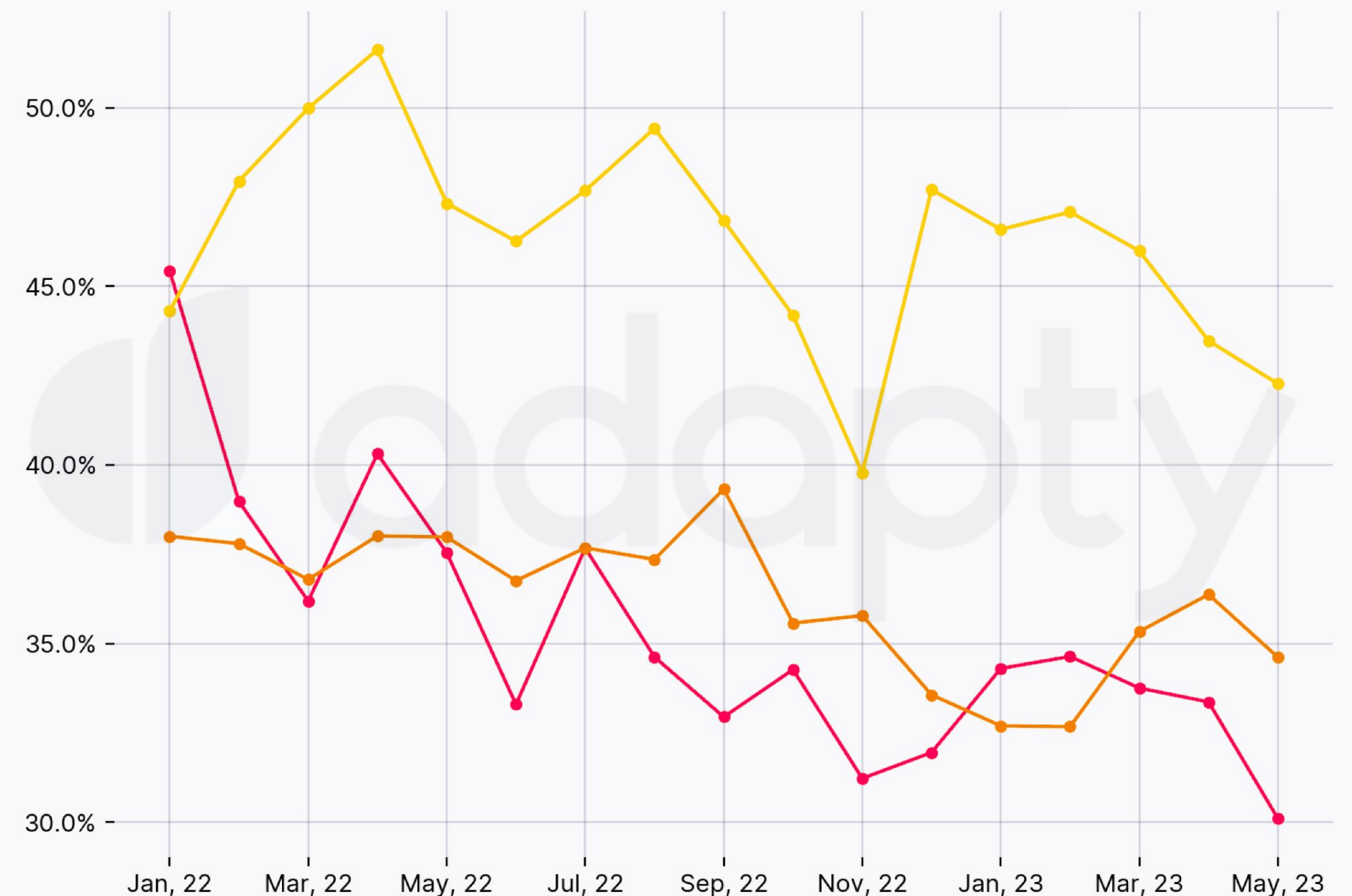
All price segments show decline in the trial-to-paid conversion rate

“ The decrease in the trial-to-paid rate is a logical extension of a broader subscription retention funnel. Users tend to convert better in the low-price segment, but their lifetime value is considerably lower.



Maya Shamray,
VP of Marketing at Adapty

The trial-to-paid conversion for **High**, **Middle**, **Low** price segments.

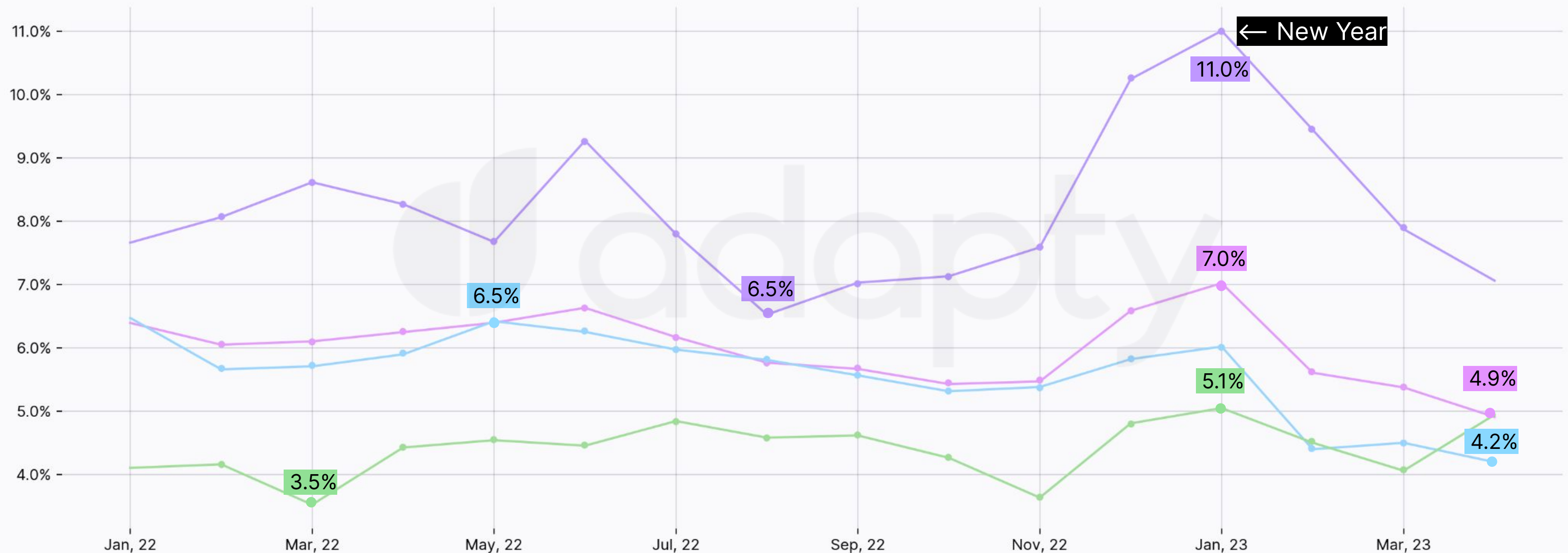


The refund rate is stable but seasonal

Reaching its peak during the New Year's period due to high traffic volume, the refund rate consistently hovers around 6-7% each month.

The seasonality pattern is particularly evident in the High market.

Refund rate of weekly, monthly, annual subscriptions and overall by month.



Create profitable paywalls without coding with the Paywall Builder

Schedule a demo

Try for free

Paywall builder

 Use no-code paywall Beta

Design

Features

Buttons & Links

Paywall title Required

Background image Required

Uploaded

Hard paywall

Dark mode

Accent colors

Purchase button text Required

Main product tag text

Remote config

With localization

Table
JSON
Localization
English
en

```

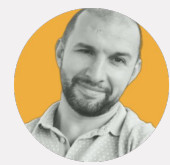
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iPhone 13 mini / 12 mini / 11 Pro / X

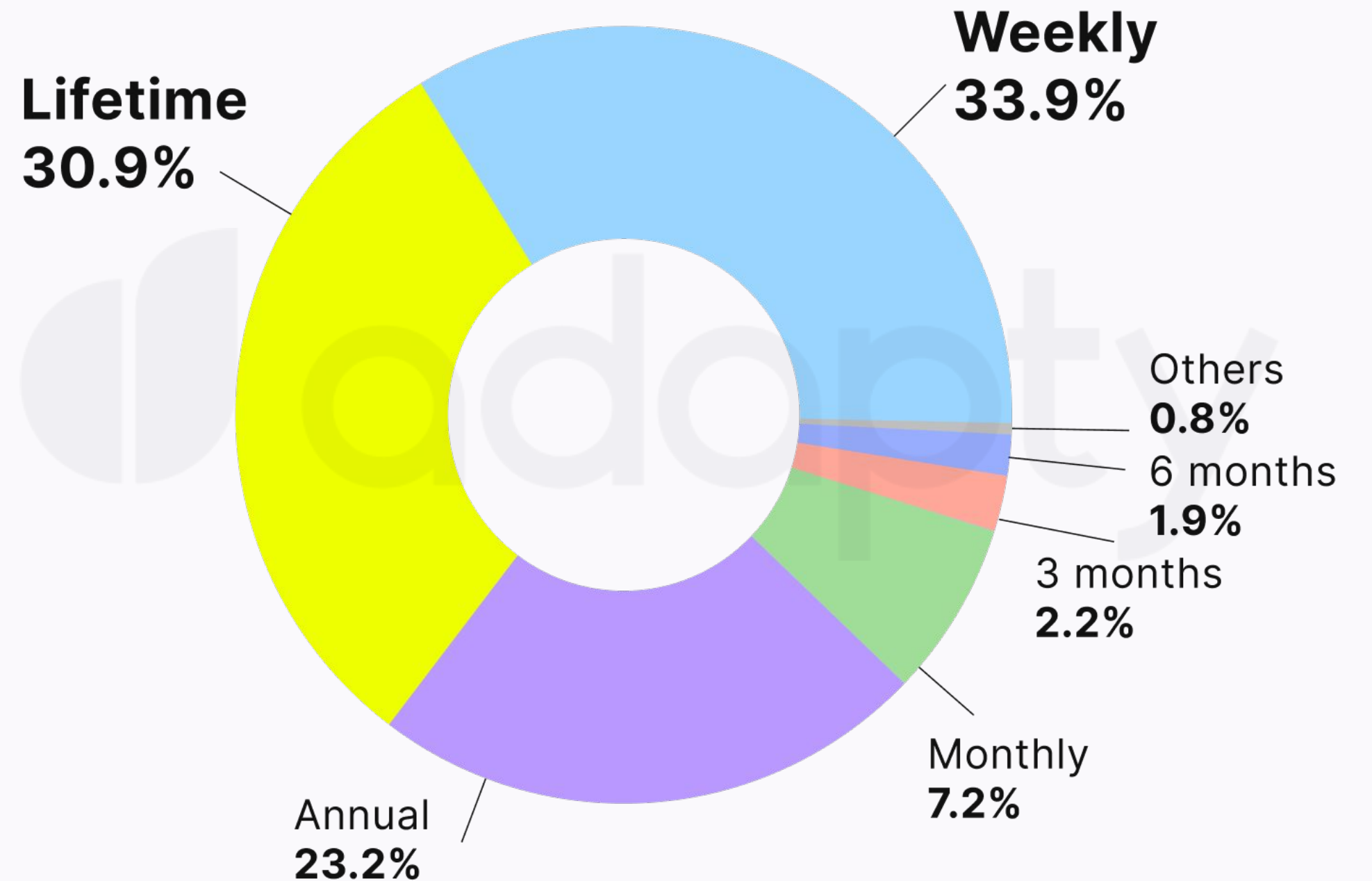
If you want to offer one product, go with **weekly** or **lifetime**

“ We see a strong bias towards weekly and lifetime offers in a single-product paywalls. Consider them if you want to sell one exclusive offer.



Dima Podoprosvetov,
CBDO at Adapty

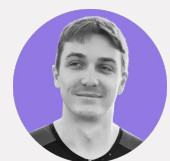
Revenue distribution by types of product on paywalls.



Always sell **annual** + **monthly/weekly** when selling two products

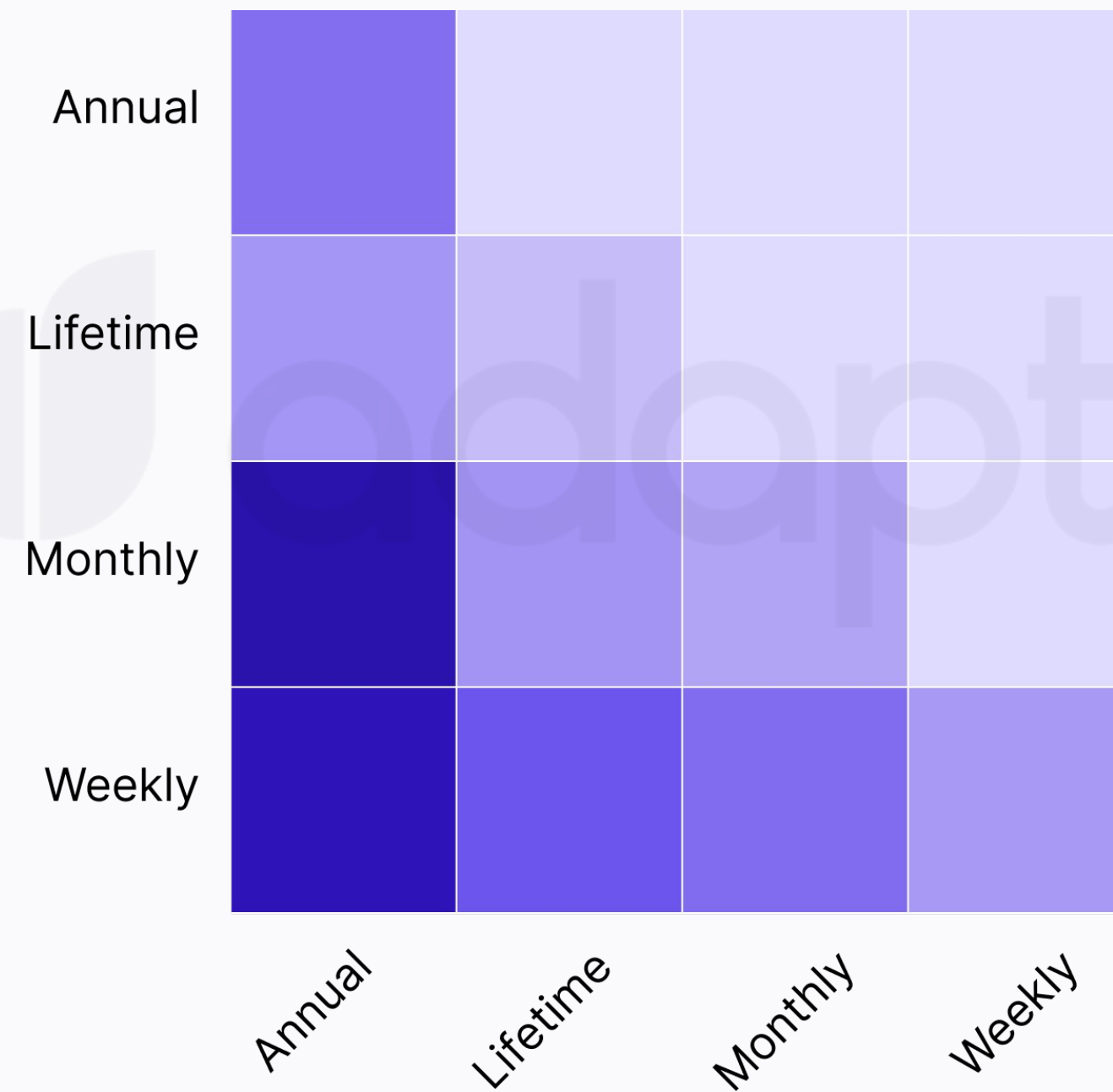
The heatmap shows product combinations on paywalls with two products. The warmer the chart, the more often this combination was used.

“ Paywalls with two products are one of the most popular choices for developers. Consider selling contrasting offers, such as a combination of an annual subscription and a weekly offer.



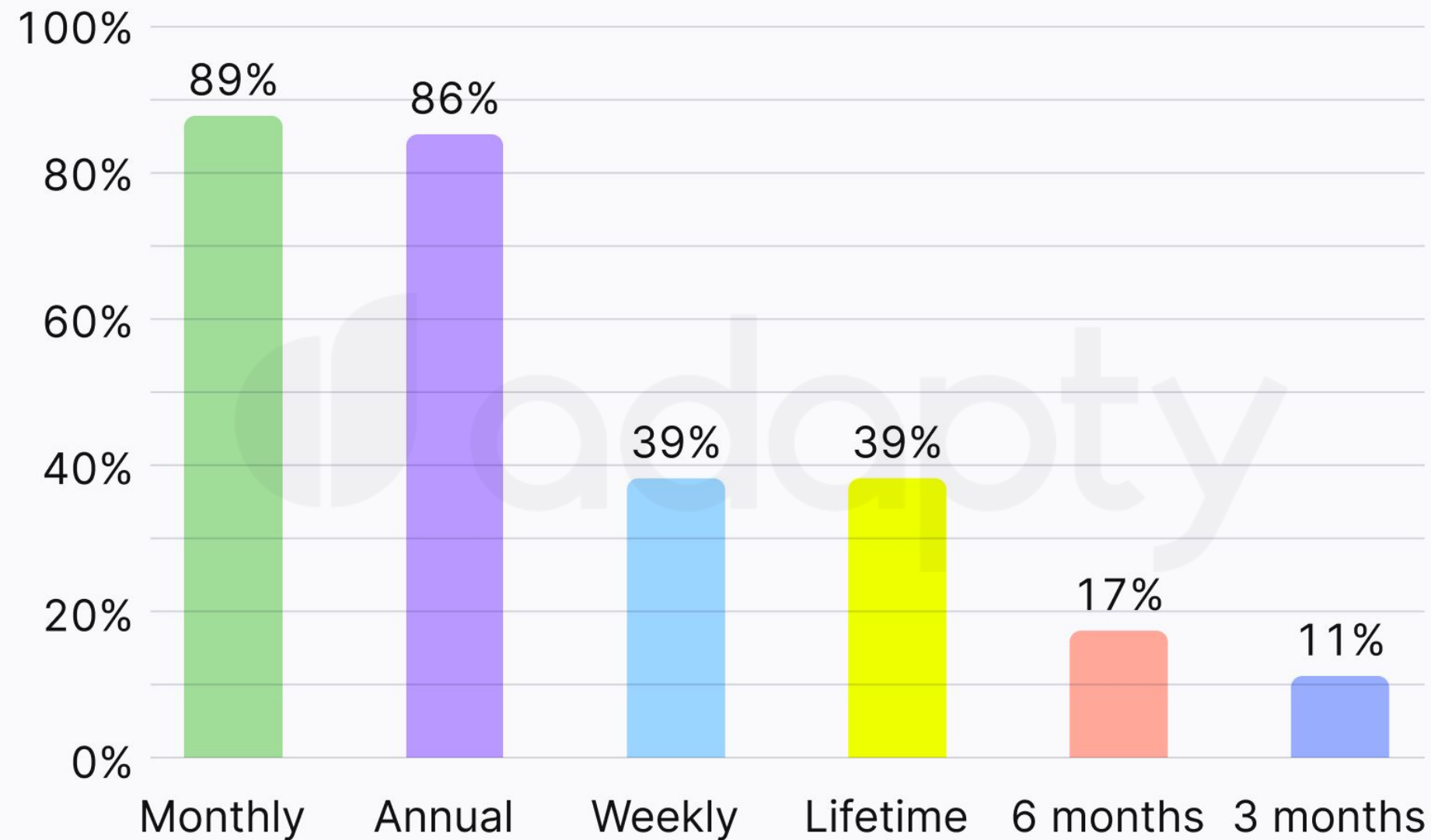
Vitaly Davydov,
CEO at Adapty

Heatmap of offer combinations

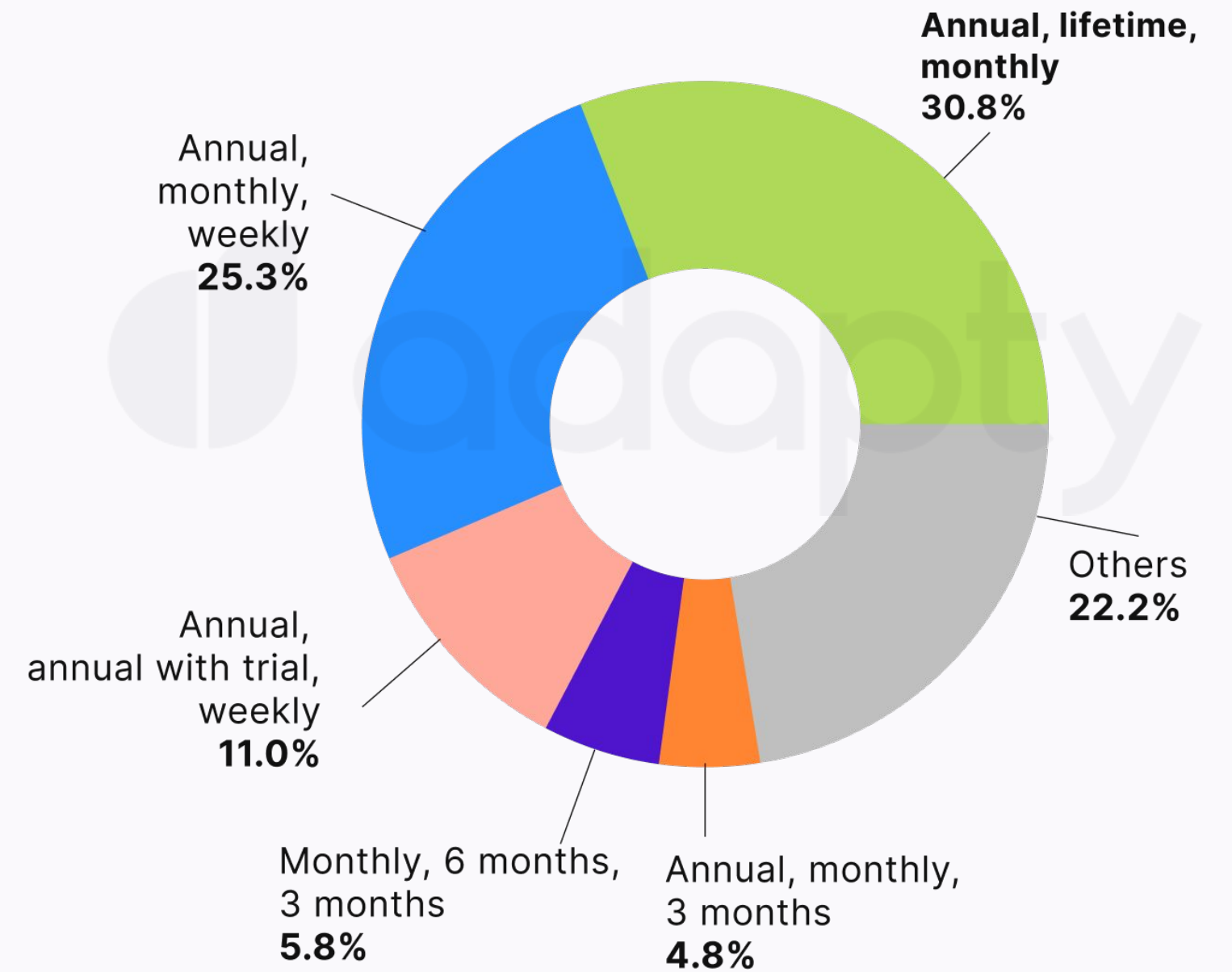


Always sell **annual** + **monthly** when selling three products

Subscription frequency in three-product paywalls.



Popular product combinations for three-product paywalls.

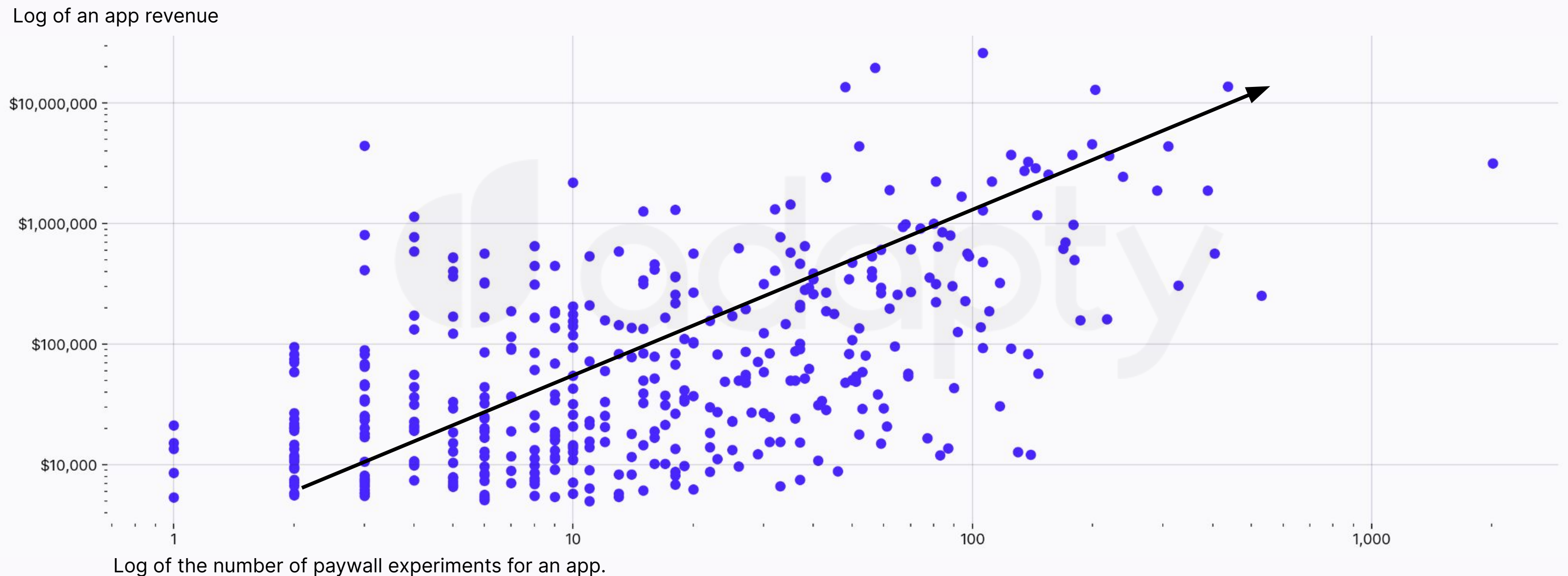


People who experiment make up to 100x more revenue

Revenue is growing exponentially with the number of experiments.

Apps running over 100 experiments make 7x more revenue vs those which run 10-100 experiments.

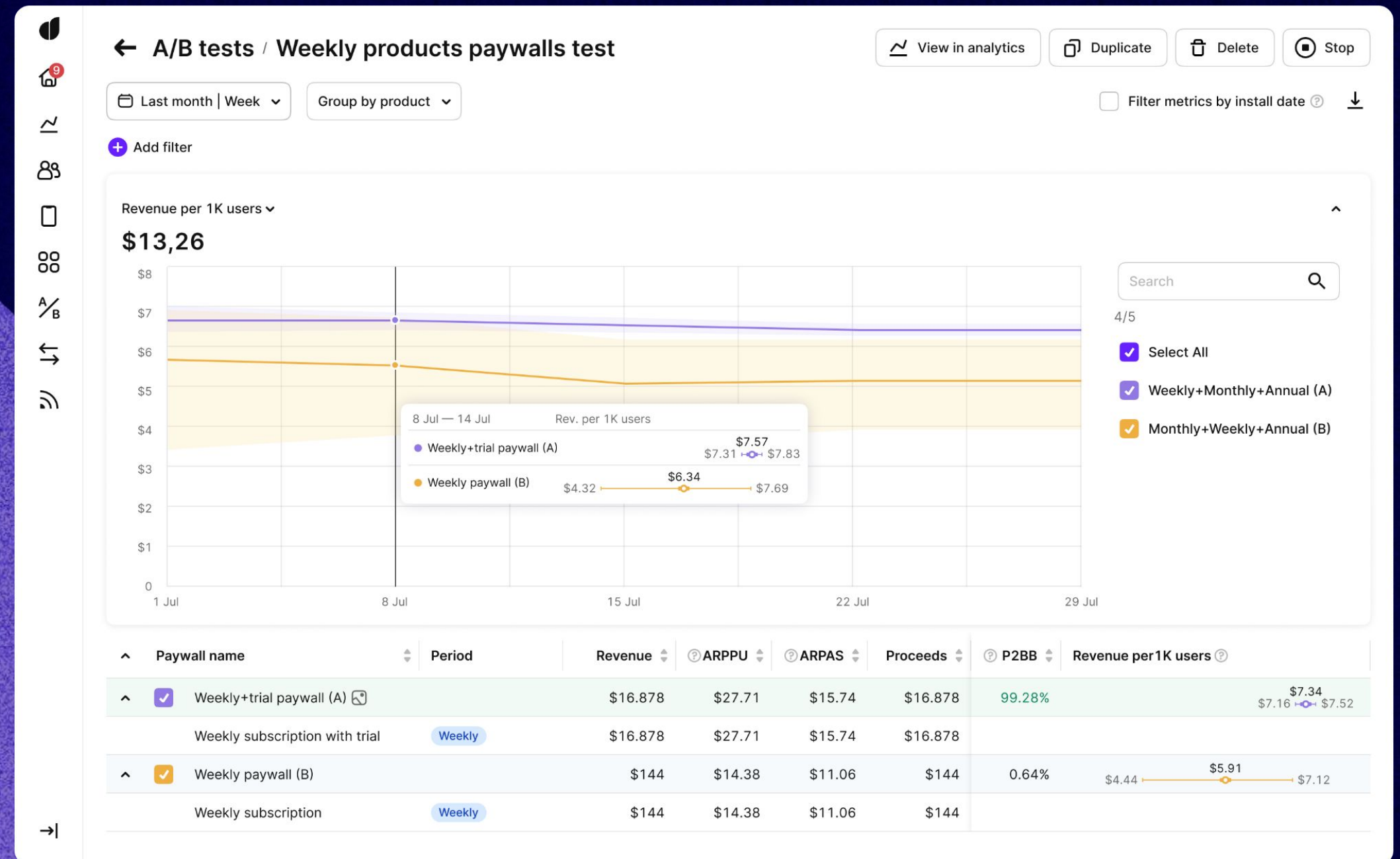
Apps running 10-100 experiments make 3.5x more revenue vs those which run 0-10 experiments.



Run paywall A/B tests without coding and app releases

Request a demo

Start for free

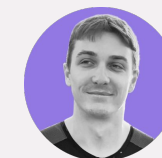


Increase your pricing and experiment faster:

1. Subscription renewals have decreased compared to 2021.
2. Subscription prices are being raised to save and increase LTV.
3. Annual subscriptions are the most profitable, but developers utilize weekly subscriptions to generate operational cash flow.
4. Monthly subscription rates decline significantly, being replaced by weekly subscriptions.
5. The New Year resolution period remains highly lucrative for selling as many subscriptions as possible, especially the annual ones.
6. The most profitable paywall is a combination of three products.
7. People who experiment with paywalls make up to 100x more revenue. **Revenue is growing exponentially with a number of experiments.**

“

Winning in the subscription market means moving fast. Adapty provides a unique solution to finding the right paywalls fast and cheap.



Vitaly Davydov,
CEO at Adapty

Start growing your mobile subscriptions today

Get a demo

Start for free

Help us build more free reports in the future, share this one!



Or write to support@adapty.io and we will reach out to you.