

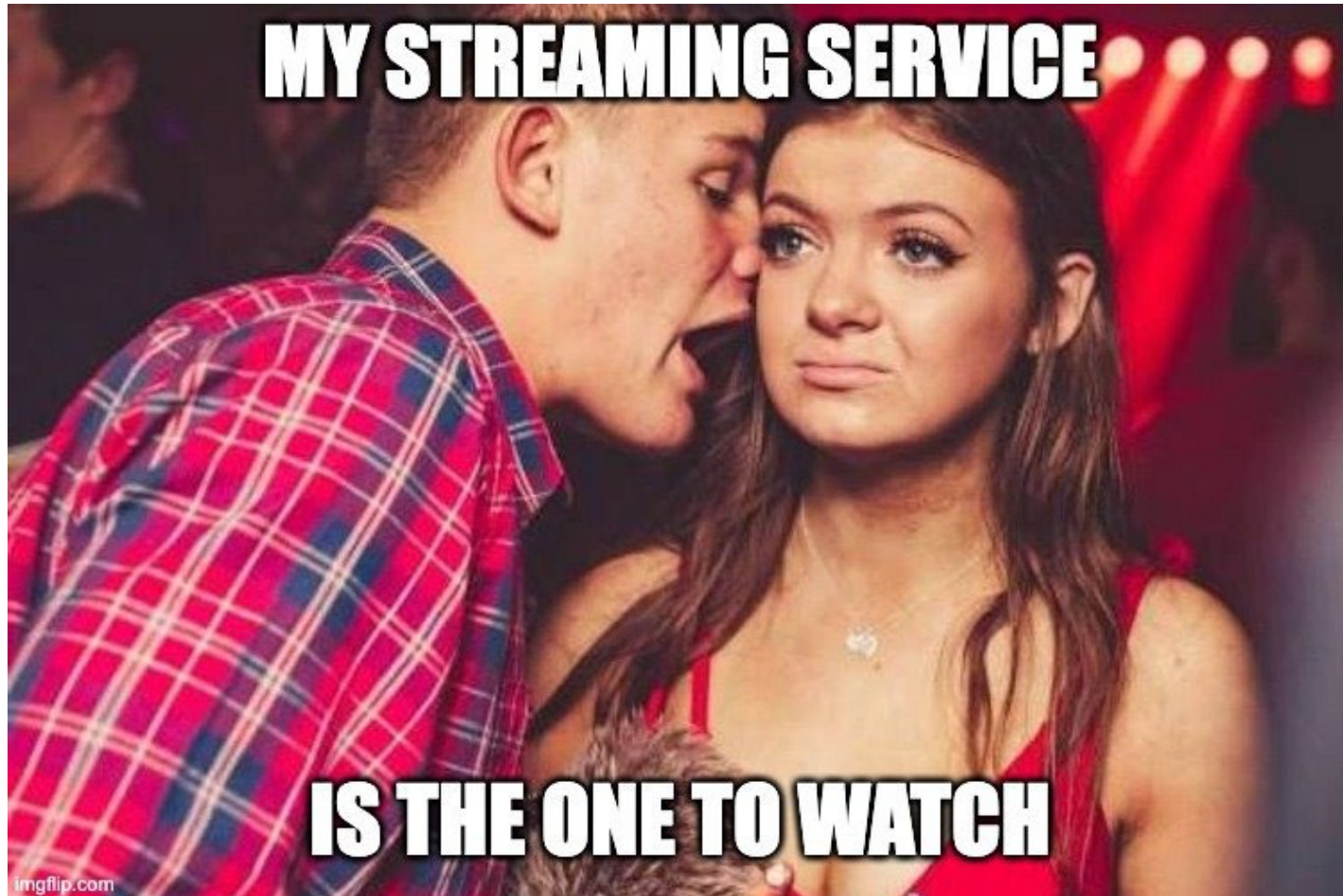


Your source for payments education

Matchmaker, Matchmaker: Finding Lasting Subscribers Through In-App Purchase

Spencer Case, Warner Bros. Discovery and Manager, Product

Finding that perfect subscriber can be tough...



...and once you do, it's not always built to last



Enter a trusted matchmaker: the App Store



Agenda

1

IAP Landscape

2

IAP Acquisition
and Retention
Features

3

IAP Challenges
and Costs

4

Alternatives to IAP

5

Making the
Right Commerce
Choice for your
Product

IAP is a growing, global business

\$52B

US IAP Revenue 2024

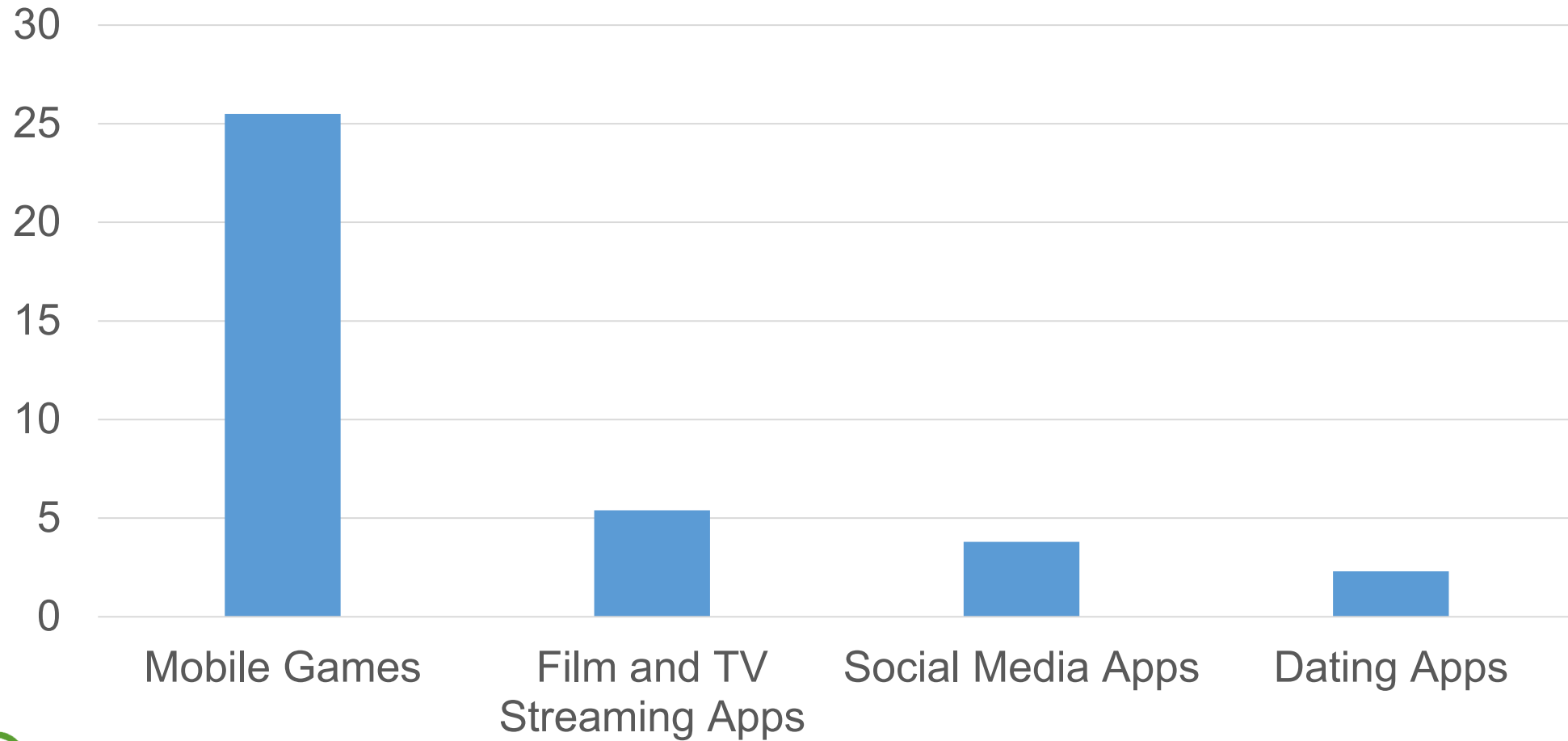
\$150B

Global IAP Revenue 2024

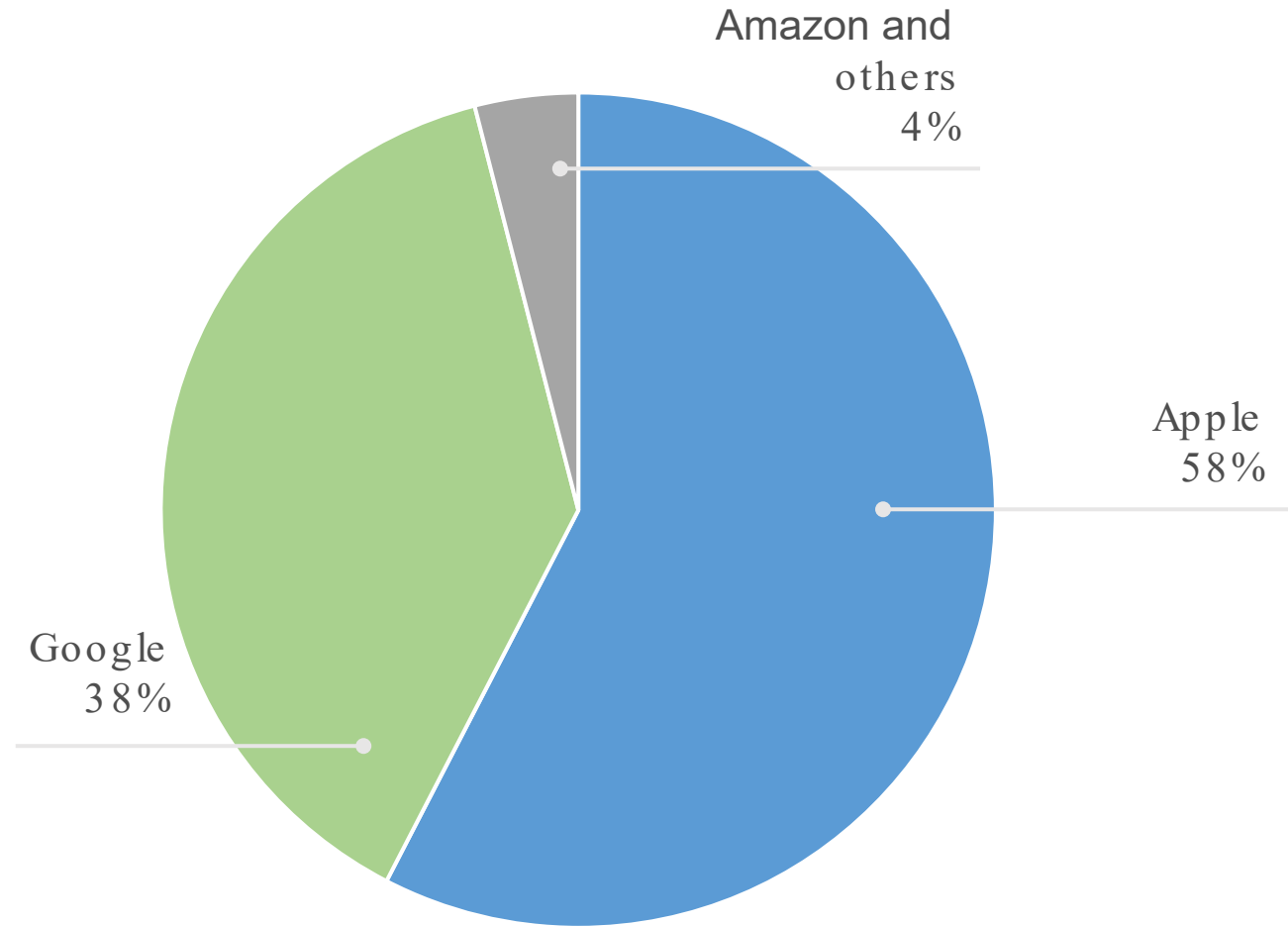
13%

YoY increase in 2024

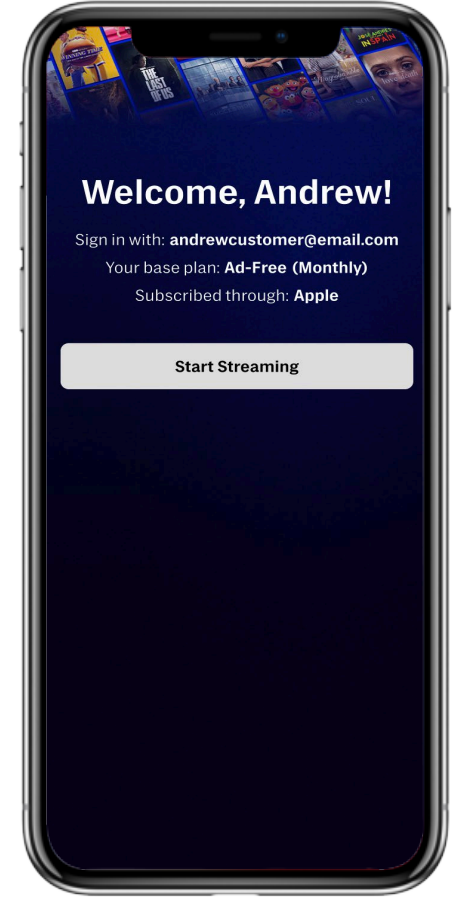
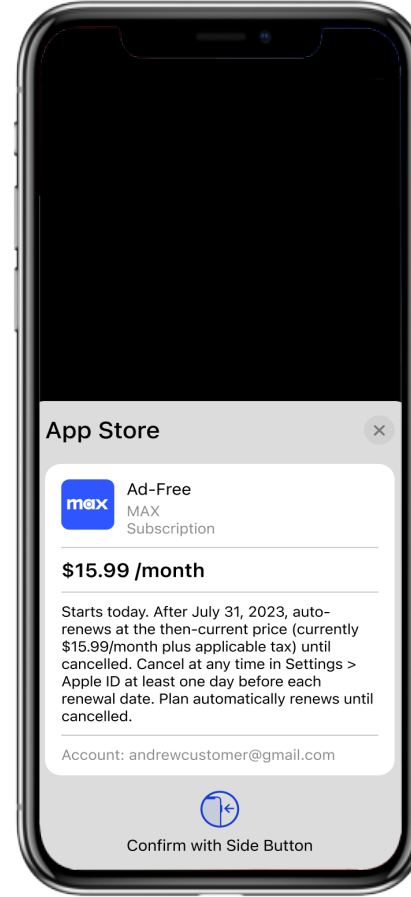
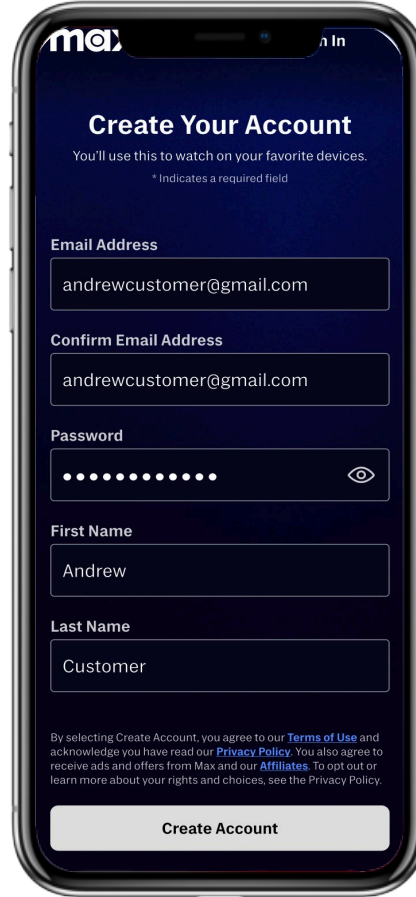
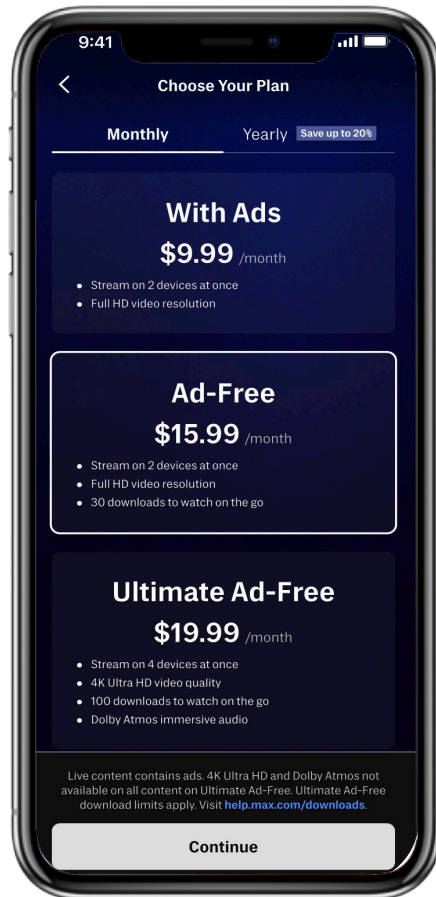
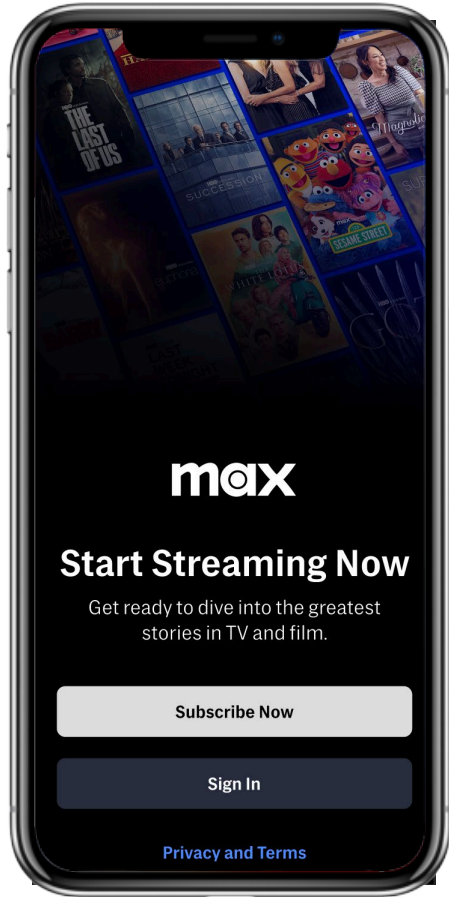
Largest IAP categories by revenue (\$B)



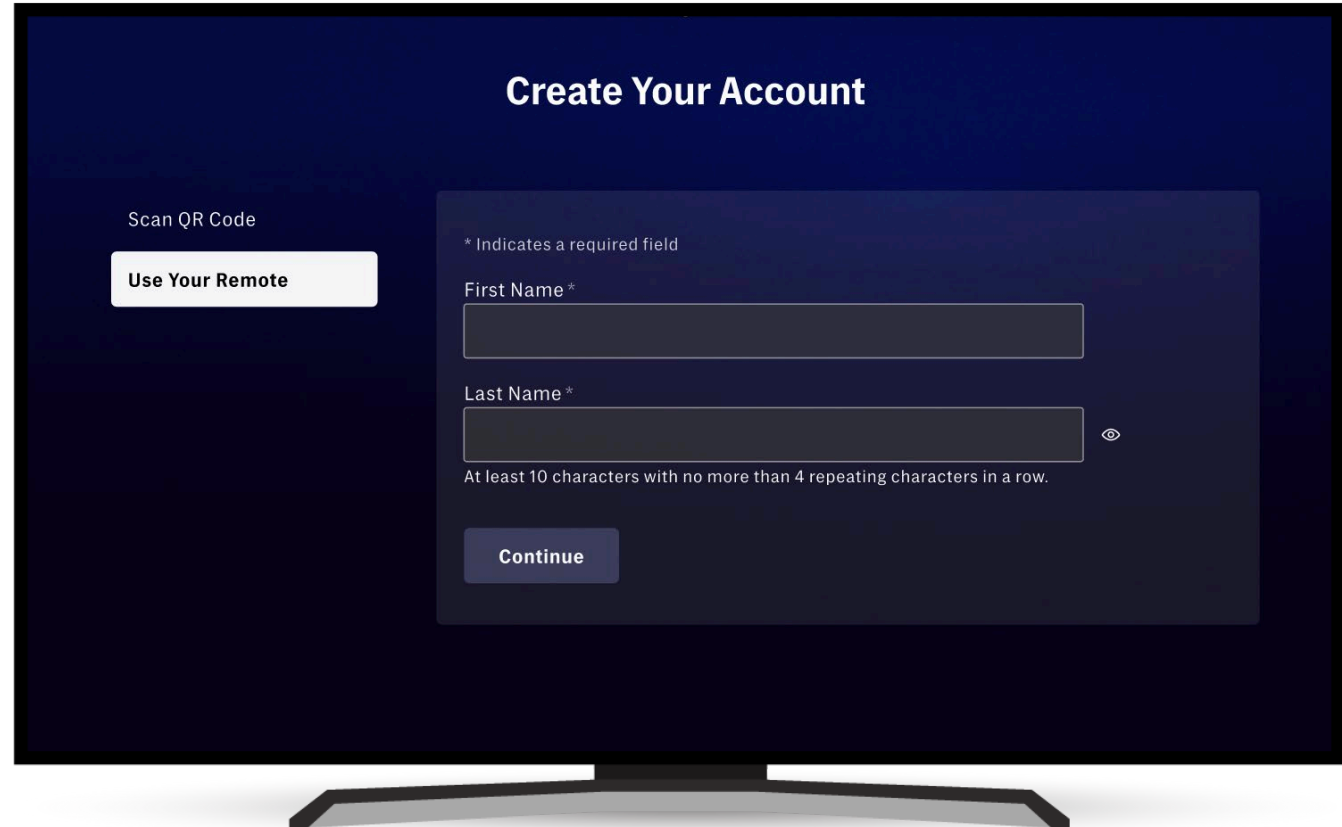
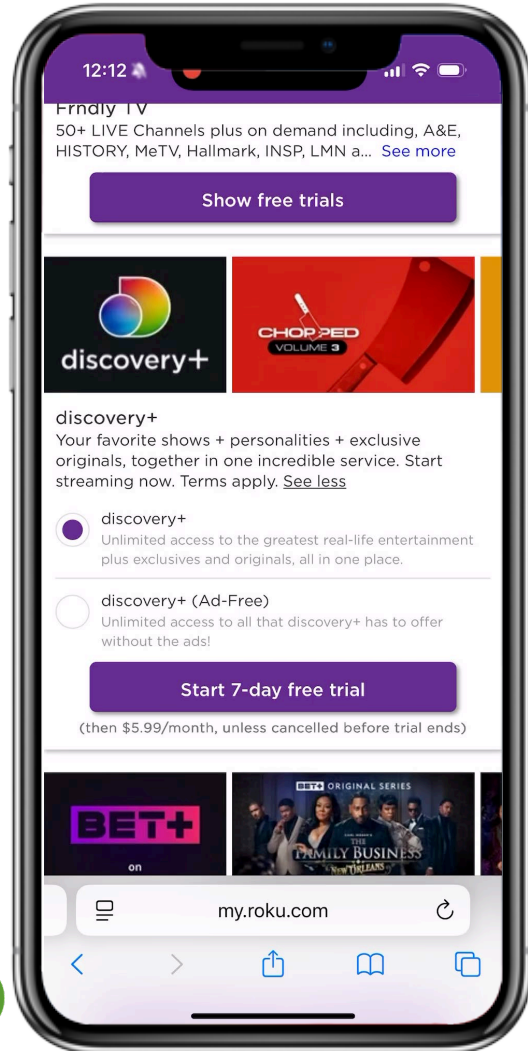
Apple and Google dominate



Acquisition: In-App Purchase Flow



Acquisition: Pay First, Register Later

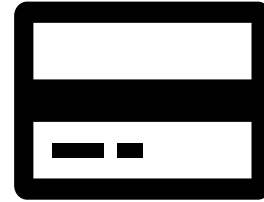


Managing Retention via IAP



Voluntary Churn Toolkit

- In-App Plan Change
- Retention Offers
- Pause Subscription
- Cancel Surveys



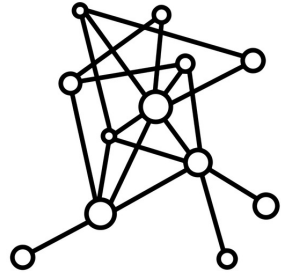
Involuntary Churn Toolkit

- Grace Period
- Account Hold
- Backup Payment Methods
- In-App Payment Update

The Real Cost of IAP



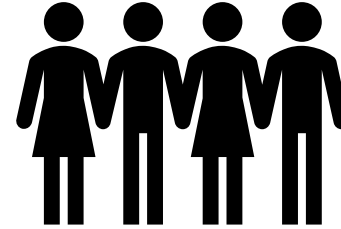
App Store Fee



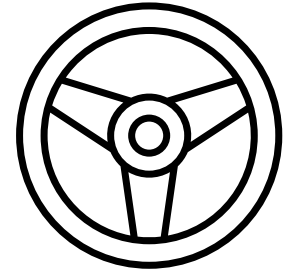
Complexity



Product Catalog
Management



Overhead



Less Control

Will the Apple IAP monopoly last?



Judgment prohibits Apple from:

- Imposing “any commission or any fee on purchases that consumers make outside an app”
- Restricting developers’ style, formatting, or placement of links for purchases outside of an app
- Blocking or limiting the “use of buttons or other calls to action”
- Interfering with consumers’ choice to leave an app with anything beyond “a neutral message apprising users that they are going to a third-party site”

Key Takeaways

Does an IAP matchmaker make sense for your business?

Do you want to grow your funnel and decrease friction?

IAP can give you reach and provide customers with an easy purchase experience through a trusted partner.

Is your product catalog and offer management system complex and optimized specifically for your customers?

IAP may not provide the control you need to cater to your customers.

Is your business low margin?

The IAP store fees may be prohibitive.

Ultimately, IAP isn't a panacea. Be aware of what it can offer and its limitations.

Thank you

- Spencer Case, Warner Bros. Discovery, Manager, Product
- Don't forget to submit your session evaluation!

