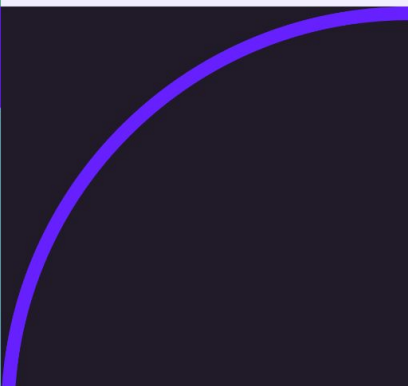
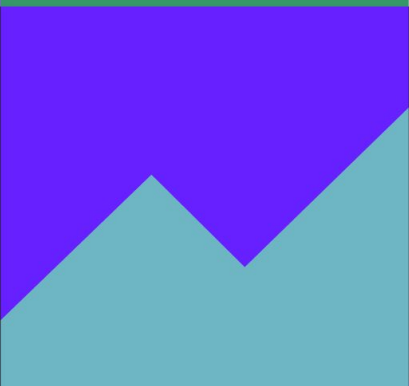
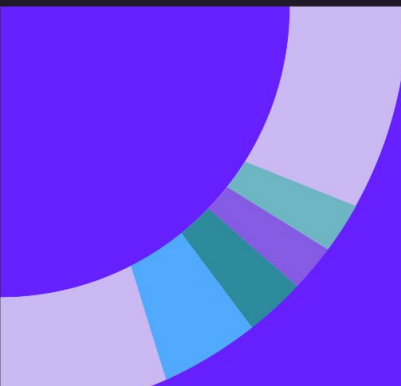
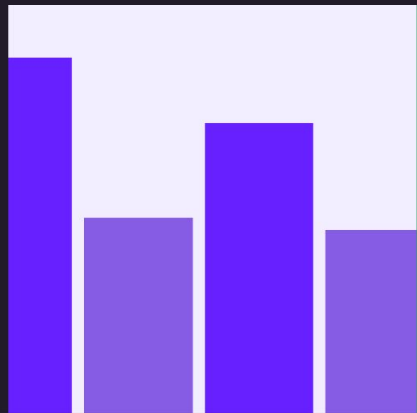




Grow your subscription app from \$1K to \$10K MRR

Find the revenue you're missing out on.
It's not magic. It's strategy.



What's inside

How do subscriptions work?	3
How to calculate your app economy and make a growth plan?	6
How to get your first active subscribers?	8
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Section 1:

How do subscriptions work?

The subscription economy has reshaped how apps generate revenue. Here's how it works:



Recurring revenue model

Subscriptions help apps make predictable, ongoing income. Instead of one-time purchases, users pay monthly or annually, keeping revenue flowing.



Retention over acquisition

Keeping users is more important than constantly finding new ones. The longer they stay subscribed, the stronger your app's revenue.

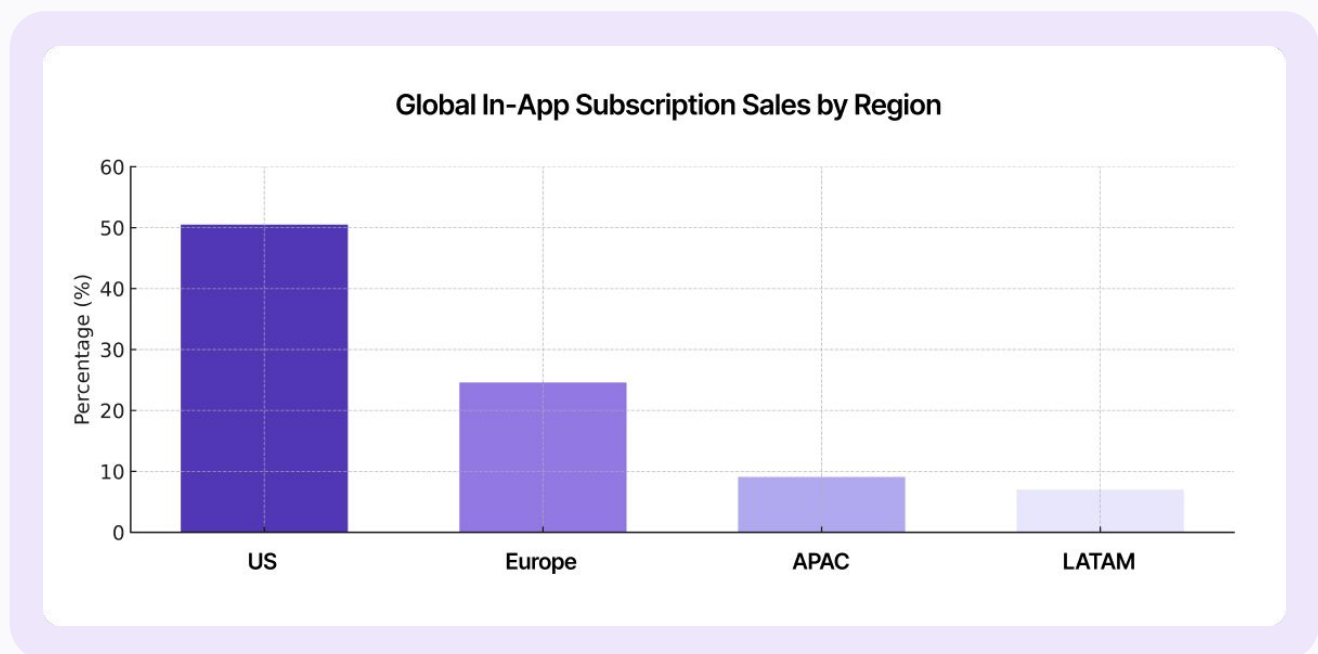


Value drives success

People subscribe because your app helps them. Features matter, but what really counts is how your app fits into their daily life..

Top markets for subscription apps

The U.S. leads with **50.5%** of global in-app subscription sales, thanks to a strong iOS user base. Europe follows with **24.6%**, while APAC (**9.1%**) and LATAM (**7.0%**) are growing fast.



How to understand taxes: VAT and beyond

Selling apps worldwide means dealing with different taxes that can affect your revenue.

1. Value-added tax (VAT):

A consumption tax common in Europe, Asia, and many other regions. VAT rates vary by country, ranging from 5% to 27%. App stores handle VAT for you. They calculate, collect, and pay it.

Example: If your app sells for €10 in a country with 20% VAT, €2 goes to VAT. Then, platforms deduct their fees (e.g., 30%) from the remaining €8, and you keep the rest.



2. US sales taxes:

Some U.S. states tax digital products. Rates vary depending on the state. States like Washington, Texas, and Pennsylvania tax digital goods, while others (e.g., Delaware, Oregon) do not. Platforms handle tax collection, so you don't need to worry about filing them.

3. Goods and services tax (GST):

A tax similar to VAT, used in countries like India (18%), Australia (10%), and Canada (5%). Platforms handle GST, but it affects your net revenue.

18%

India

10%

Australia

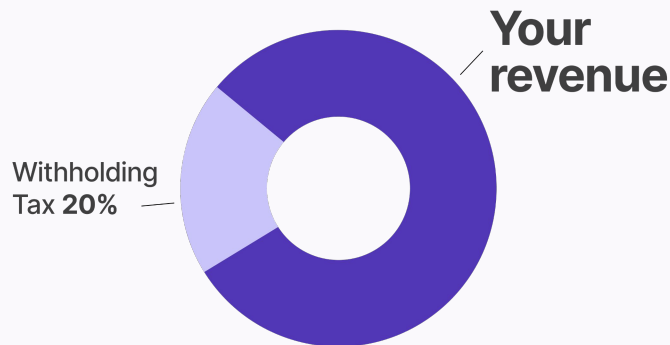
5%

Canada

4. Withholding tax (WHT):

Some countries deduct a percentage of your revenue before paying you. Applies to non-resident developers in places like India (15-20%), Brazil, and Indonesia.

Example: if your app makes \$1,000 in India, you might receive \$800 after a 20% withholding tax, unless a tax treaty lowers the rate.



5. Digital services tax (DST):

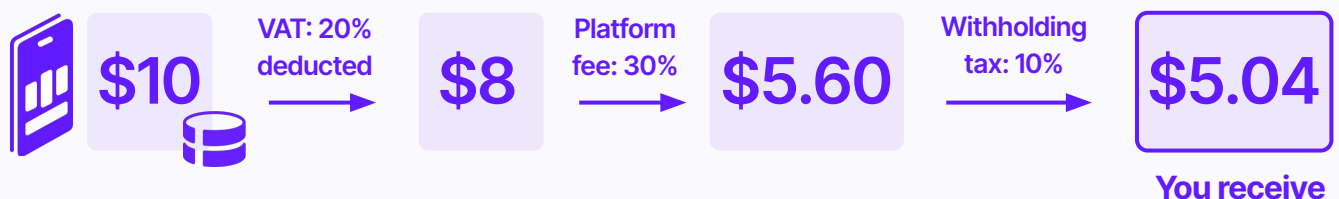
A tax on digital revenue in some countries, mainly targeting large companies. While DST usually targets large companies, it may indirectly affect you through higher platform fees:



6. Platform fees (not a tax, but important):

Platforms like the App Store and Google Play charge a commission of 15-30% on every sale. This significantly impacts your net revenue, so plan accordingly.

How these taxes impact your revenue



Section 2:

How to calculate your app economy and make a growth plan?

Getting to \$10K MRR is achievable when you know how many users you need and how to keep them subscribed. If you've already hit \$1K MRR organically, now's the time to focus on numbers to scale further.

Step 1. How many users do you need to reach \$10k MMR?

Let's assume your subscription price is \$10/month (after platform fees). To reach \$10,000 MRR, you need 1,000 active subscribers.

But not every user stays forever — churn is inevitable. Your subscription model depends on two key factors:

- New subscribers — how many users sign up each month.
- Retention — how many of them keep renewing.

The longer users stay, the easier it is to grow without constantly spending on acquisition.

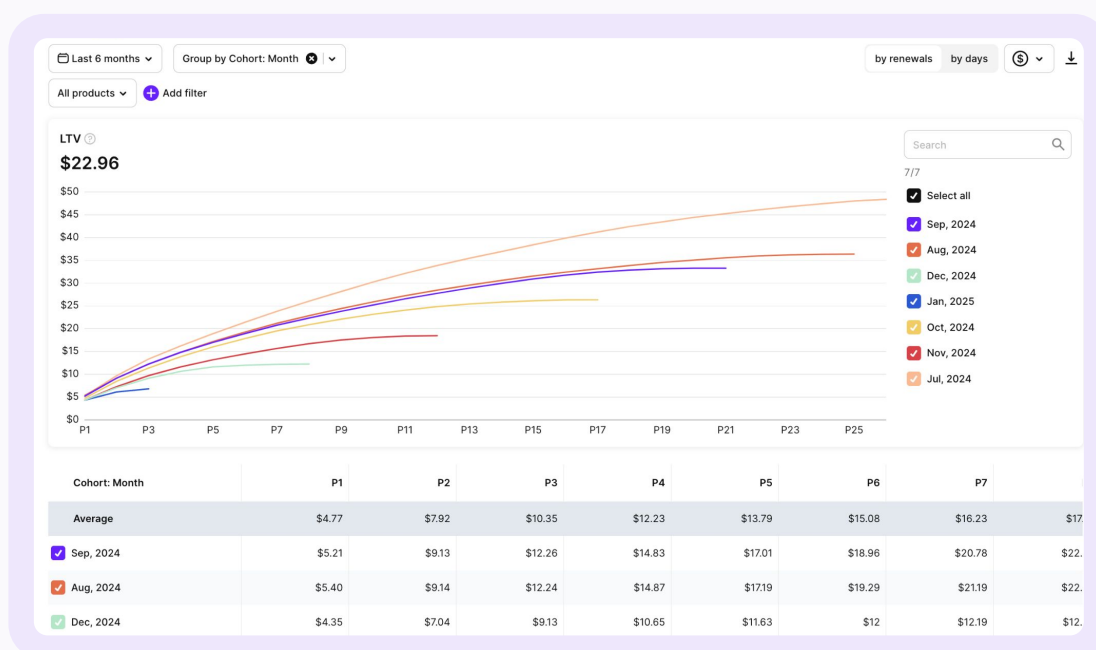
Step 2: Key metrics to track

LTV (Lifetime Value) — how much a user is worth

LTV is the total amount of money a user brings in before they cancel their subscription.

For example, if a user stays subscribed for 3.7 months, and your app costs \$10/month, their LTV = \$37.

- **Higher retention = higher LTV** (because users stay longer and pay more).
- **LTV helps you decide** how much you can afford to spend on acquiring new users (CAC).



Why compare LTV and CAC?

CAC (Customer Acquisition Cost) is how much you spend to get a new paying user.

- If $LTV > CAC$, your business is profitable.
- If $LTV < CAC$, you're losing money on every new user.

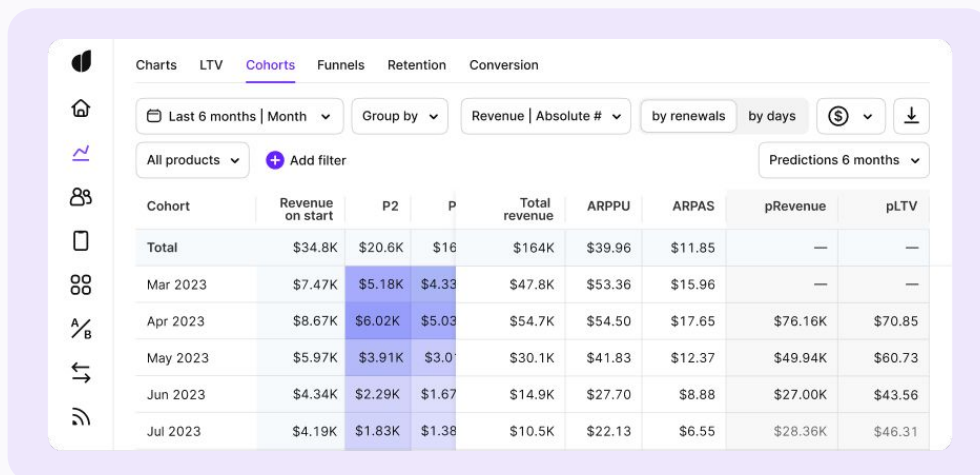
This is the most important metric for deciding whether to invest in paid acquisition.

Step 3: Understand cohorts

Retention is the percentage of users who keep their subscription over time. Instead of looking at all users together, it's better to track cohorts — groups of users who subscribed in the same month.

What questions you can answer with cohorts:

- How many users stay after 1, 3, or 6 months?
- Where do most users drop off?
- See how your existing users contribute to future MRR.



The screenshot shows a dashboard with a navigation menu on the left and a main content area. The main content area has tabs for 'Charts', 'LTV', 'Cohorts', 'Funnels', 'Retention', and 'Conversion'. The 'Cohorts' tab is active. Below the tabs, there are filters for 'Last 6 months', 'Month', 'Group by', 'Revenue | Absolute #', 'by renewals', 'by days', a currency selector, and a download icon. There is also a filter for 'All products' and an 'Add filter' button. A 'Predictions 6 months' dropdown is visible on the right. The main data is presented in a table with the following columns: Cohort, Revenue on start, P2, P, Total revenue, ARPPU, ARPAS, pRevenue, and pLTV. The rows represent cohorts for March, April, May, June, and July 2023, plus a 'Total' row.

Cohort	Revenue on start	P2	P	Total revenue	ARPPU	ARPAS	pRevenue	pLTV
Total	\$34.8K	\$20.6K	\$16	\$164K	\$39.96	\$11.85	—	—
Mar 2023	\$7.47K	\$5.18K	\$4.33	\$47.8K	\$53.36	\$15.96	—	—
Apr 2023	\$8.67K	\$6.02K	\$5.03	\$54.7K	\$54.50	\$17.65	\$76.16K	\$70.85
May 2023	\$5.97K	\$3.91K	\$3.01	\$30.1K	\$41.83	\$12.37	\$49.94K	\$60.73
Jun 2023	\$4.34K	\$2.29K	\$1.67	\$14.9K	\$27.70	\$8.88	\$27.00K	\$43.56
Jul 2023	\$4.19K	\$1.83K	\$1.38	\$10.5K	\$22.13	\$6.55	\$28.36K	\$46.31

The main goal is to keep users subscribed longer to increase LTV instead of relying only on new signups.

Note: If you don't have your own retention data yet, start with [industry benchmarks](#).

Step 4: Use the Google Sheets model to plan growth

We built a [Google Sheets template](#) to help you:

- Calculate LTV based on real retention rates.
- Estimate how many new users you need per month to hit \$10K MRR.
- Analyze cohorts to see when users cancel and how retention changes over time.

How to use it:

1. Enter your subscription price.
2. Add how many new users sign up per month.
3. The sheet will automatically calculate your MTR, LTV, and active subscribers.

Section 3:

How to get your first active subscribers?

You can't grow without users. And while paid ads are an option, App Store Optimization or ASO is your go-to for organic, long-term growth.

- It brings in free, targeted traffic.
- It helps you find users who'll actually use and love your app.
- It saves money on ads.

1. ASO basics

1.1. App product page and metadata optimization

Optimize your app page. Make it look good and clearly explain why your app is worth downloading.

1.2. Keyword research & optimization

Find keywords people search for and use them in your app title and description.

1.3. Localization

Localize your app for different languages and regions.

1.4. Review management

Actively manage reviews to build trust and improve your app's rating.

2. ASO strategies for the App Store

1.1. Title & subtitle optimization

- Position your app's primary function prominently in the title and subtitle. The title is the most critical field for ASO.
- Focus on identifying long-tail keywords with high search volume and low competition.
- You have **30 characters for the title** and **30 for the subtitle**, so make every character count.
- **Important:** avoid repeating keywords between the title and subtitle.

1.2. Keyword optimization

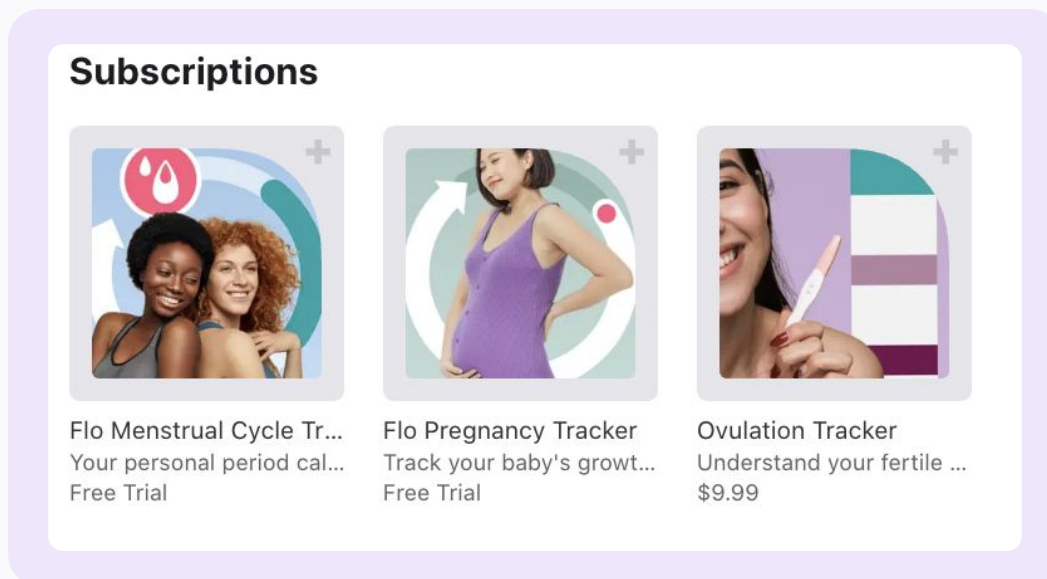
- Use the 100-character keywords field strategically. Leverage ASO tools to find high-volume, low-competition keywords.
- Avoid repeating words already used in your title and subtitle.

1.3. Cross-localization strategy

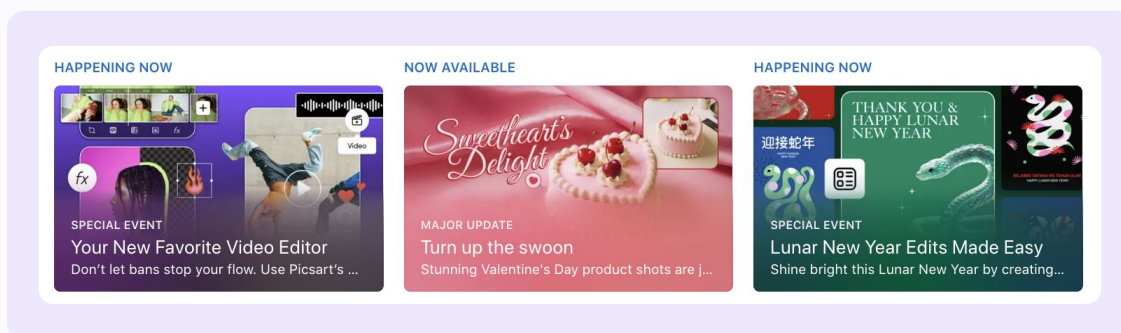
- Gain extra keyword coverage by using secondary languages. For example, leverage **Spanish (MX)** localization to target US users.
- Note: these keywords won't match with **English (US)** keywords in search results, but they can drive additional impressions.

1.4. Advanced keyword tactics

- **Subscription promotions:** Apple indexes the keywords in subscription promotions (up to 20), providing extra search visibility.



- **In-app events:** Apple indexes keywords from event metadata, enhancing your app's discoverability.

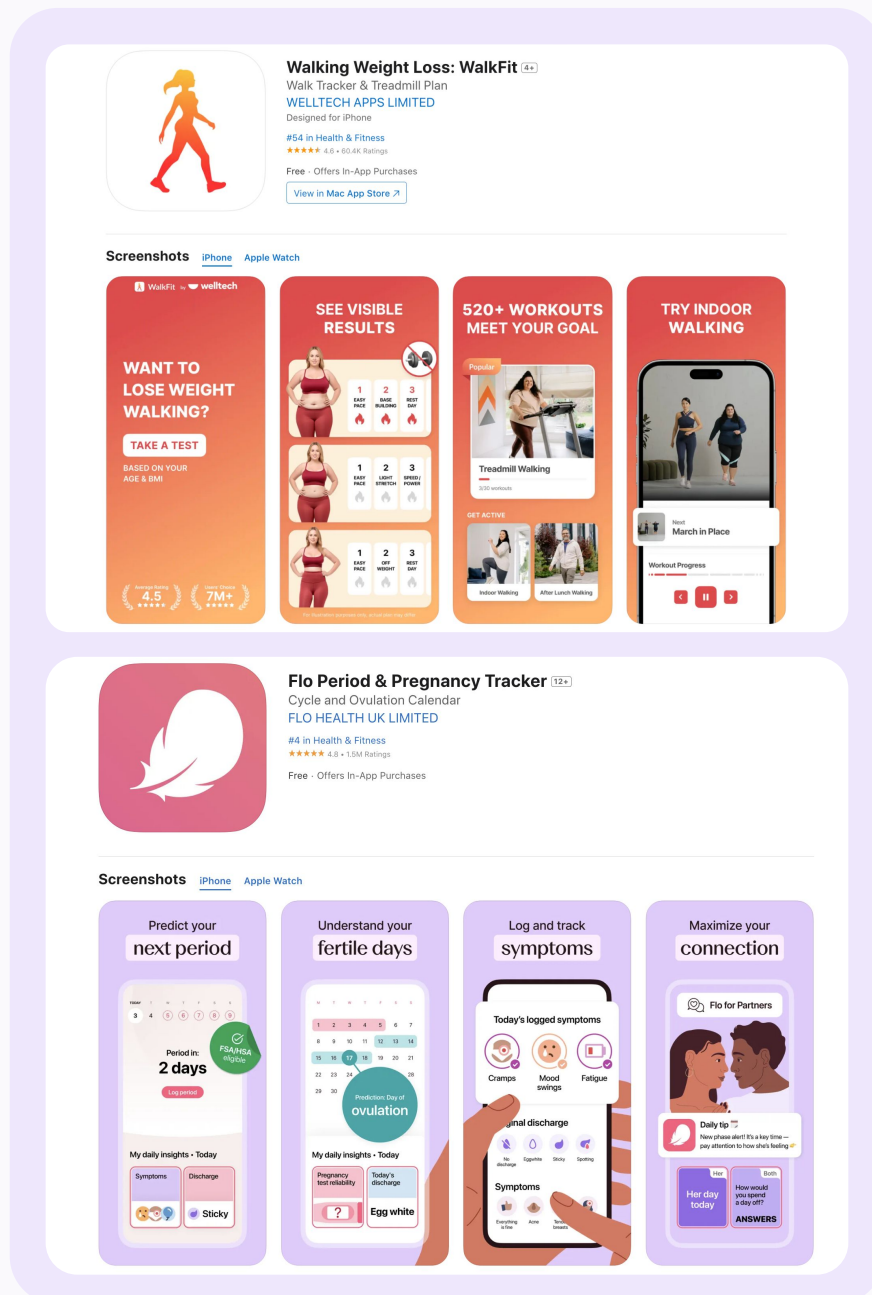


1.5. Beyond keyword optimization:

Focusing only on keywords isn't enough. To maximize organic downloads, optimize your visual assets as well:

Screenshot optimization:

- Highlight the value your app provides, not just its features.
- Focus on **one value or feature per screenshot**.
- Keep text concise; don't overload the visuals.
- Showcase install/rating stats, user reviews, or app features.



Pro tip. If you're running Apple Search Ads, align your first screenshot with the targeted keyword and start ads with Custom Product Pages (CPP).

3. ASO strategies for Google Play

Google Play optimization is similar to traditional web SEO. Focus on these key areas:

Key metadata fields

3.1. App title

The most critical field. Use up to 30 characters.

3.2. Short description

Highlight key benefits in up to 80 characters.

3.3. Long Description

Be clear and informative in up to 4,000 characters. Avoid keyword stuffing or unnatural writing, as these practices can be penalized.

4. Measuring success

Track these metrics to measure the effectiveness of your ASO efforts:

4.1. Conversion rate

evaluates how effectively your app page converts visitors into users

4.2. Keyword rankings

tracks your app's ranking for target keywords.

4.3. Ratings and reviews

positive feedback improves rankings and builds user trust

5. Actionable steps to start today

- Research 5-10 competitors using ASO tools.
- Track the keywords they're ranking for.
- Build a keyword matrix with primary keywords and modifiers
- A/B test your screenshots and icon.
- Monitor keyword rankings weekly and adjust accordingly.

6. Final thoughts

ASO is not a one-time task but an ongoing experiment. Keep testing, measuring, and iterating your strategies. Remember:

- 6.1. Great ASO can't fix a bad app, but poor ASO can harm even the best apps.
- 6.2. Make ASO a priority from day one to ensure your app's success.

More channels to try

In addition to ASO, you can try experimenting with **paid ads**, **social media**, and **referral programs**. For example, start with a small budget – up to \$1000 – and test **Apple Search Ads** or **Google UAC** by targeting relevant keywords for your app.

You can also explore social platforms like **TikTok** or **Twitter/X**, where your potential users might hang out, and share your app with those communities.

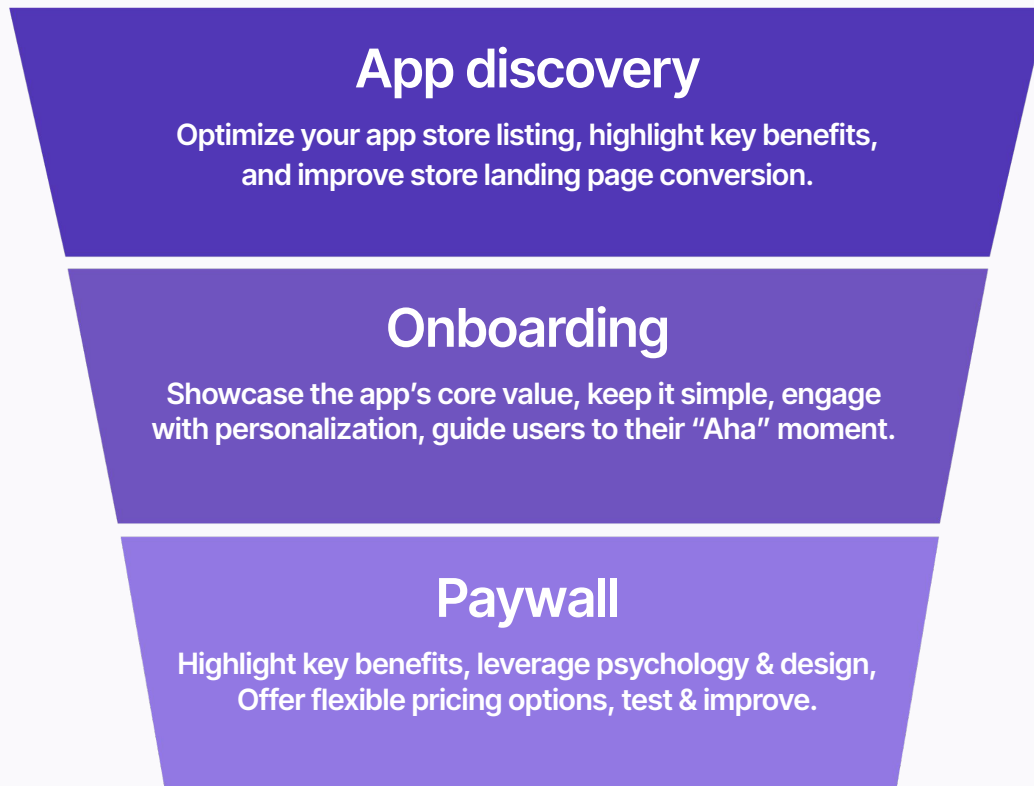
Another idea is to set up a **referral program**, offering your current users small rewards for bringing in their friends.

It's not a must at this stage, but experimenting with these options could yield solid results if done gradually and strategically. We'll cover more in future guides.

Section 4:

Build a sales funnel in your app

Scaling your subscription app starts with a well-designed sales funnel. The funnel is your users' journey – from discovering your app to becoming a paying subscriber. We've covered app discovery. Now, let's dive into **onboarding** and the **paywall** – the key features that turn new users into paying subscribers.



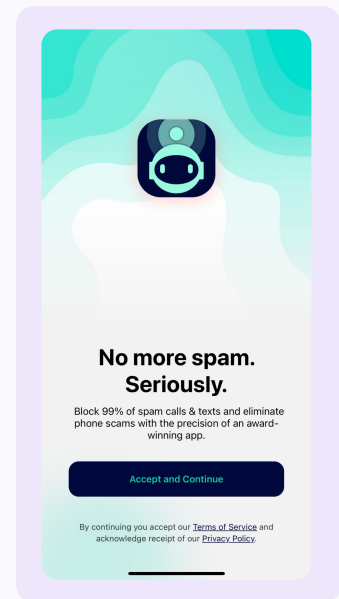
1. Onboarding

Onboarding is your app's first impression, and it's crucial. Up to **80% of first payments** come from users who have a great onboarding experience. Most products have problems with activation, not retention, so:

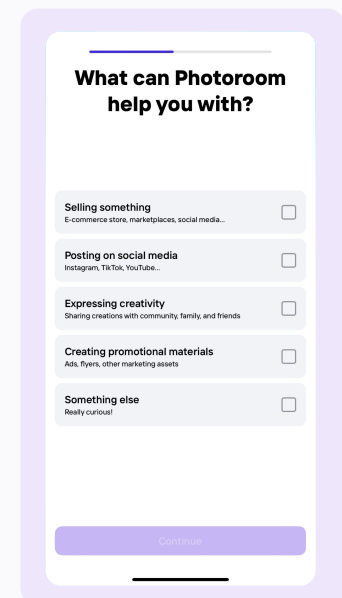
- Help users understand your app's core value immediately.
- Motivate them to take the next step: subscribing.

5 steps to build onboarding that converts:

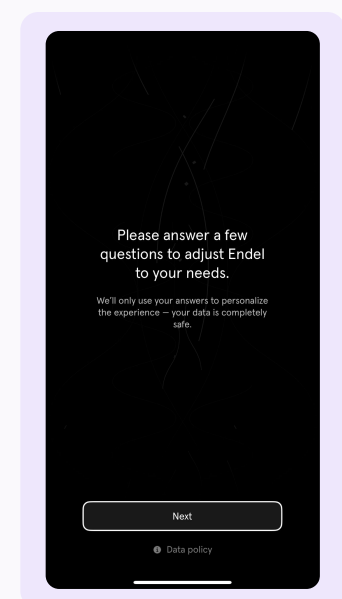
- Educate people
 - Teach potential subscribers about your product's value and benefits.
 - Make it clear why it's worth their investment and, if it feels natural, show them how to use your product



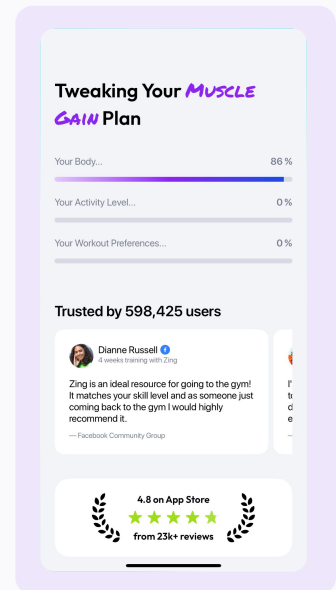
- Keep it simple
 - 87% have left an onboarding flow because it wasn't clear.
 - Use straightforward language and a seamless experience. Avoid brand jargon to ensure clarity.



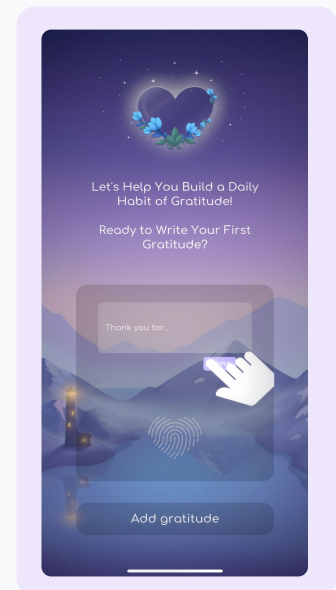
- Personalize
 - Gather basic information (e.g., preferences, goals) during onboarding to tailor the user's experience.
 - Make the app feel relevant to their unique needs.



- **Build trust**
 - Use social proofing to build trust
 - Display testimonials, reviews, accolades, and even user counts to reassure potential subscribers.



- **Be engaging**
 - Make your onboarding flow interactive.
 - Ask questions and create positive friction to keep them engaged. Is there a way they can demo your features in onboarding?

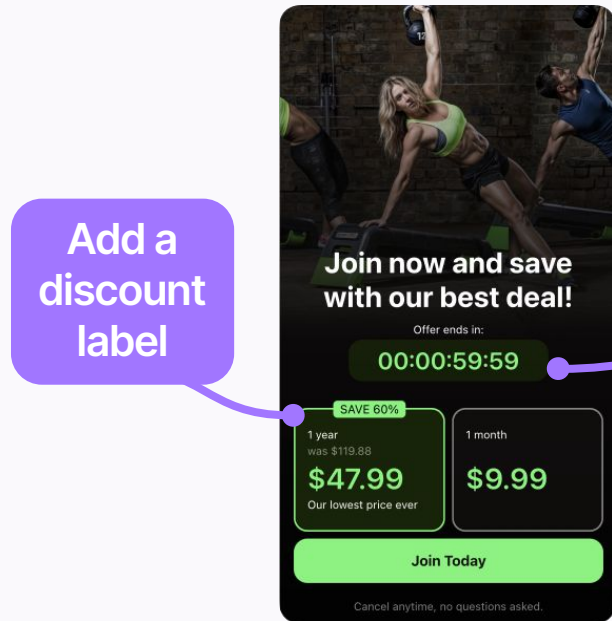


2. Paywall

The paywall is where users decide whether to subscribe, so it needs to communicate your app's value clearly. Use these steps to design one that works:

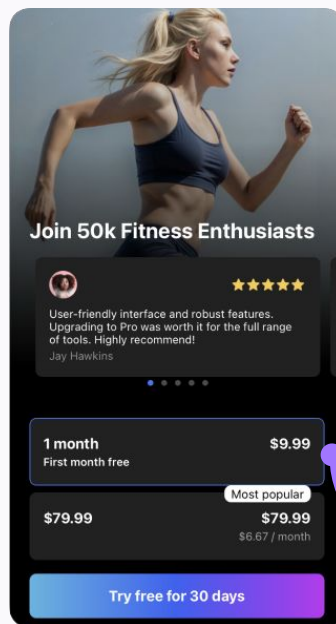
- **Offer flexible pricing options**
 - Provide multiple subscription tiers (like monthly, annual, or lifetime).
 - Highlight the savings of annual plans over monthly ones.

- ❑ Leverage psychology and design
 - Add social proof (“Join 50,000 happy users”)
 - Use urgency (“Save 20% today only”) or (“Unlock premium now to start improving your workflow”).
 - Keep designs simple with a clear call-to-action like “Start Free Trial.”

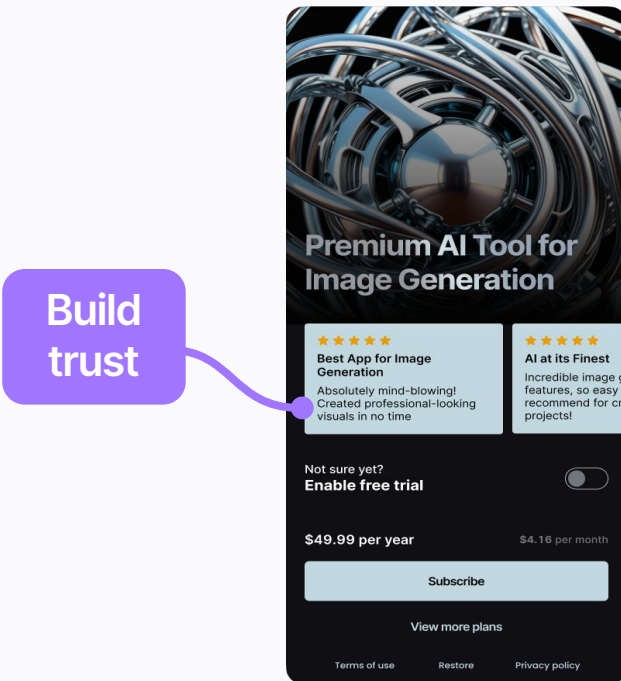


Add a discount label

Use urgency

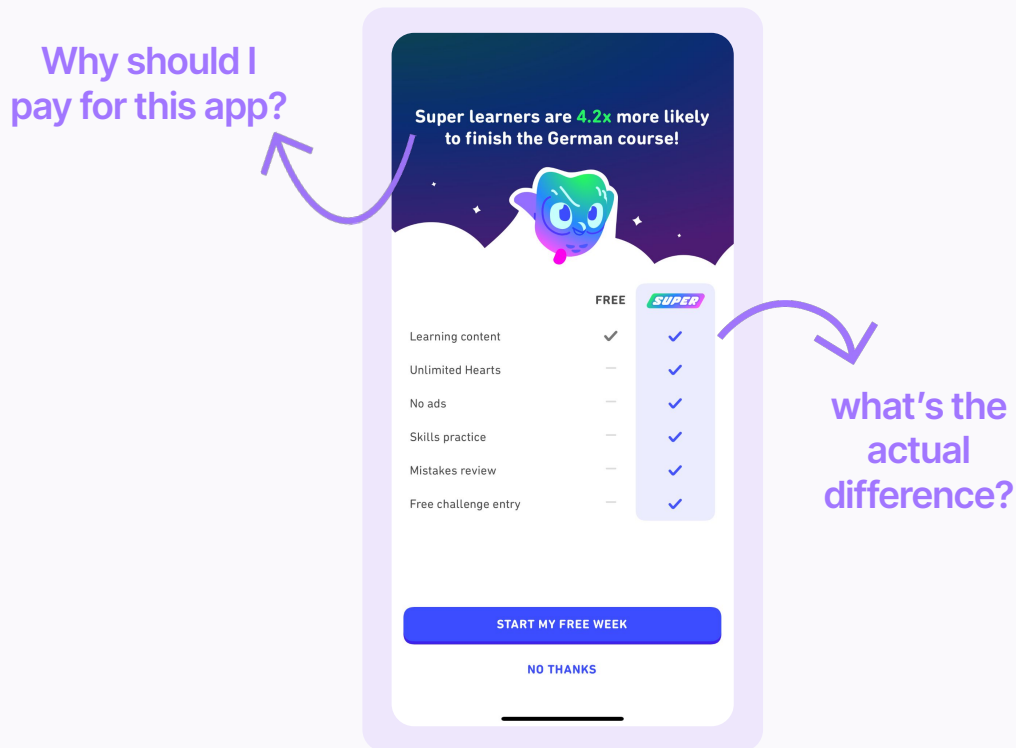


Make price comparable

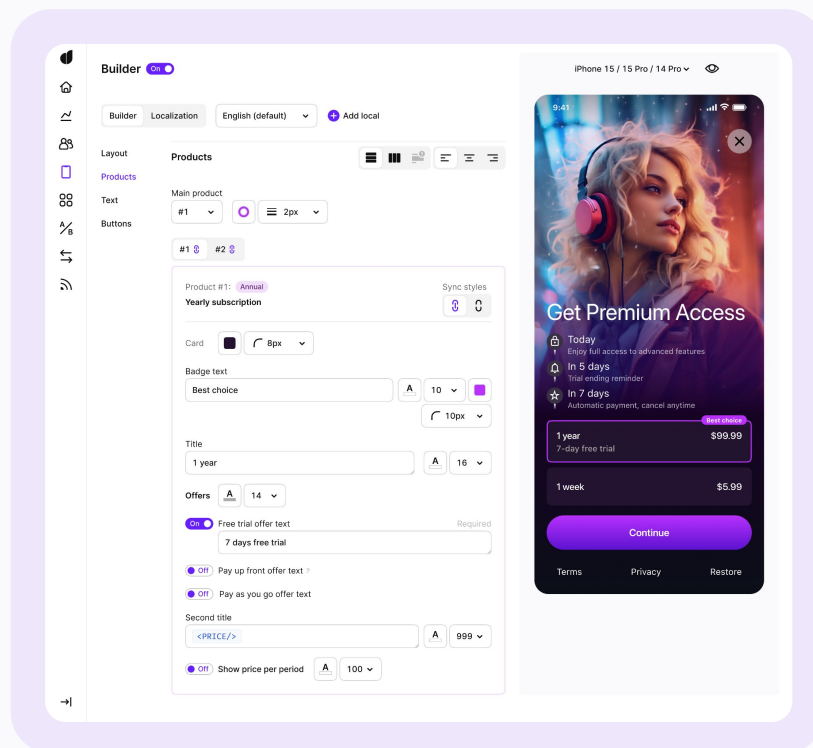


Build trust

- Value first
 - Your paywall should clearly & concisely communicate your app's value



- Test and improve
 - Experiment with paywall designs, pricing, and messaging to see what works best.



Use tools like Adapty to test and update paywalls – no coding required

Section 5:

What to do and what to avoid

Wrapping up, here's a quick guide to what you should focus on and what to avoid when building and scaling your subscription app. Think of this as your checklist to move faster, smarter, and with less stress.

Do

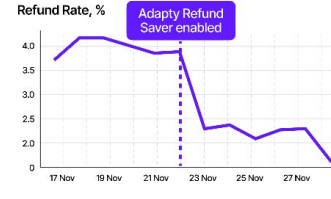
- 1. Launch fast, learn faster.**
Focus on shipping your app quickly. Real feedback from users is more valuable than weeks of extra polishing.
- 2. Prioritize onboarding and paywalls.**
These are your app's first and most critical touchpoints. A seamless onboarding flow and a clear, value-driven paywall will do more for your growth than a hundred extra features.
- 3. Steal like an artist.**
Research successful apps in your niche. What's working for them? Adapt their best practices to fit your app.
- 4. Find affordable traffic.**
Look for affordable or organic channels to drive traffic. ASO, in-app events, and collaborations are great starting points.
- 5. Use smart tools**
Platforms like Adapty can help you optimize your paywalls, track revenue, and improve retention faster.

Avoid this

- 1. Overengineering**
Focus on function, not perfection. Users care about solving their problems, not how clean your code is.
- 2. Spending too long before launching**
Don't take more than two months to ship your MVP. Get it out, then iterate.
- 3. Overbuilding features**
Use SaaS tools wherever possible to avoid wasting time and money on custom solutions.
- 4. Ignoring retention**
Don't focus only on acquiring new users. Keeping your existing subscribers is just as important – engage them with regular updates and personalized content.

One line of code

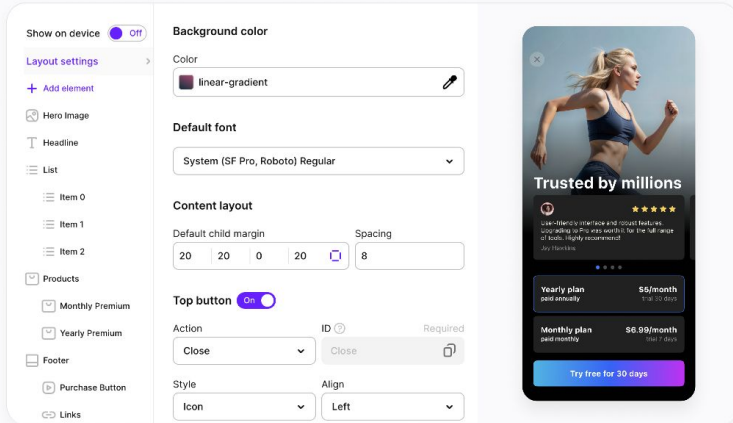
Integrate in-app purchases instantly



Refund Saver
Let Adapty pay for itself

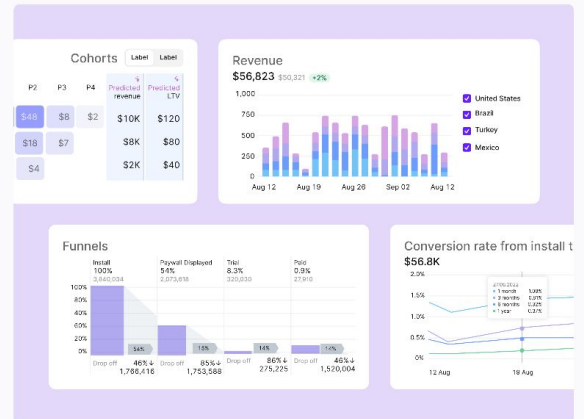
No-code native paywall builder

100% native, fully customizable



Key financial insights

Track 20+ metrics: revenue, MRR, LTV, and more



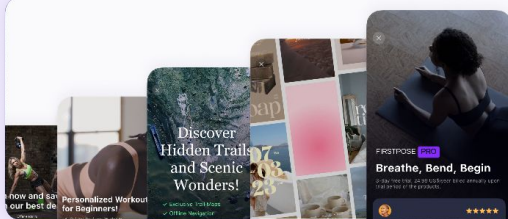
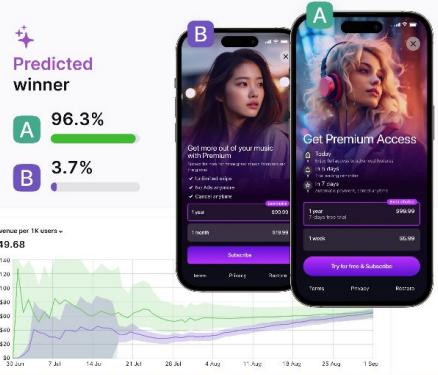
Targeting

Personalize your offers



A/B tests

Find the best paywalls to grow your LTV



Paywall templates
High-converting designs, ready to use

Your roadmap to \$10K starts here!

Book a quick walkthrough

\$10K playbook

Learn how to grow from \$1K to \$10K MRR

