

# Shop.org Annual Summit 2013

September 30 – October 2 | Chicago

## comScore and Shop.org Mobile Retail Boot Camp

Lynée Alves, Director, comScore Custom Marketing Solutions

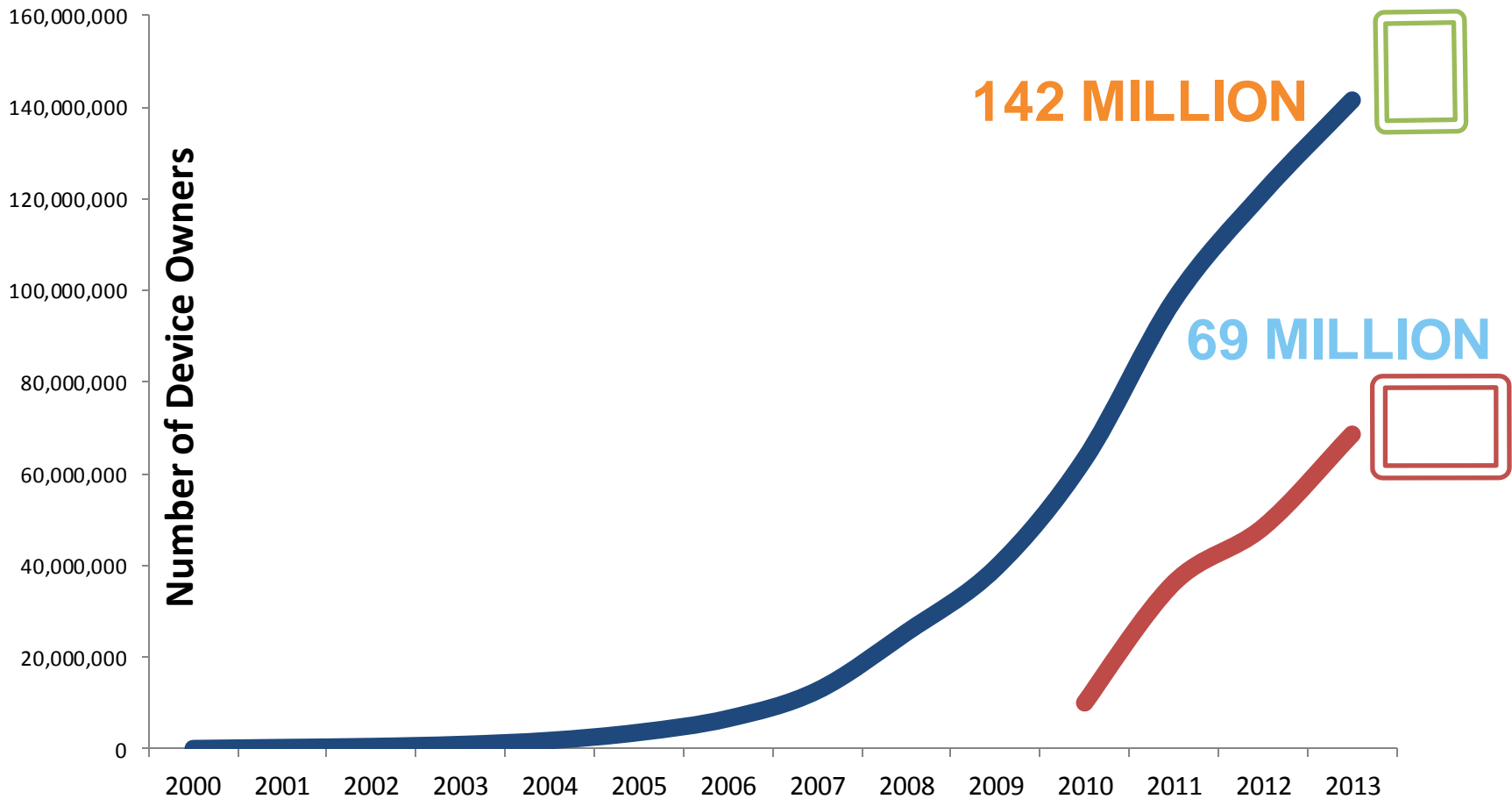
Peter Leech, Managing Director, The Partnering Group, Inc.



# U.S. Mobile Market Overview



Purchases of Smartphones & Tablets Have Grown Dramatically. 142 million people now own smartphones in the U.S. – over half of the Internet population.

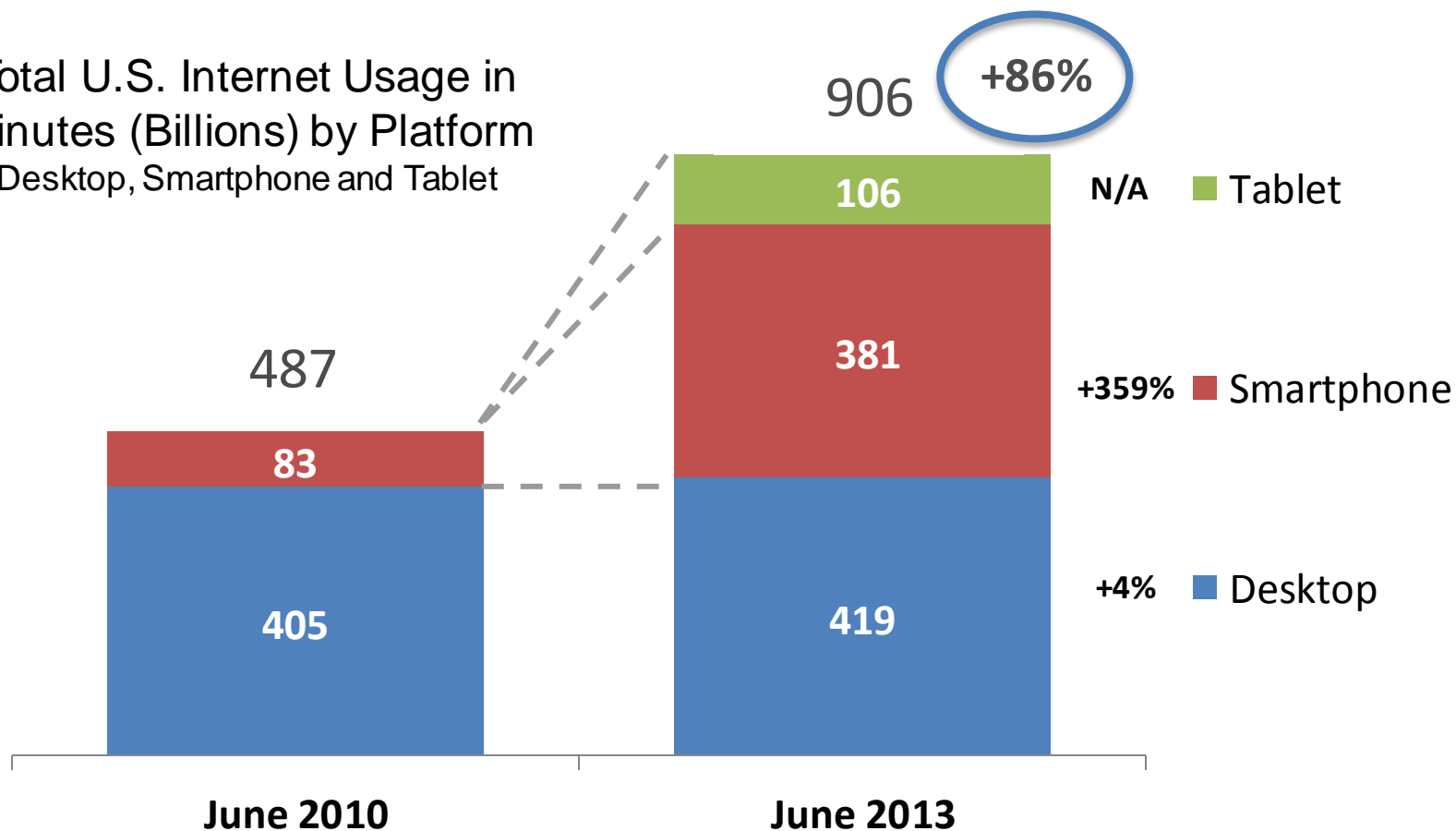


Source: comScore MobiLens/TabLens 3 month average ending June 2013



## Smartphones and Tablets Have Dramatically Increased Time Spent with Digital Content in the Last Three Years

Total U.S. Internet Usage in Minutes (Billions) by Platform  
Desktop, Smartphone and Tablet

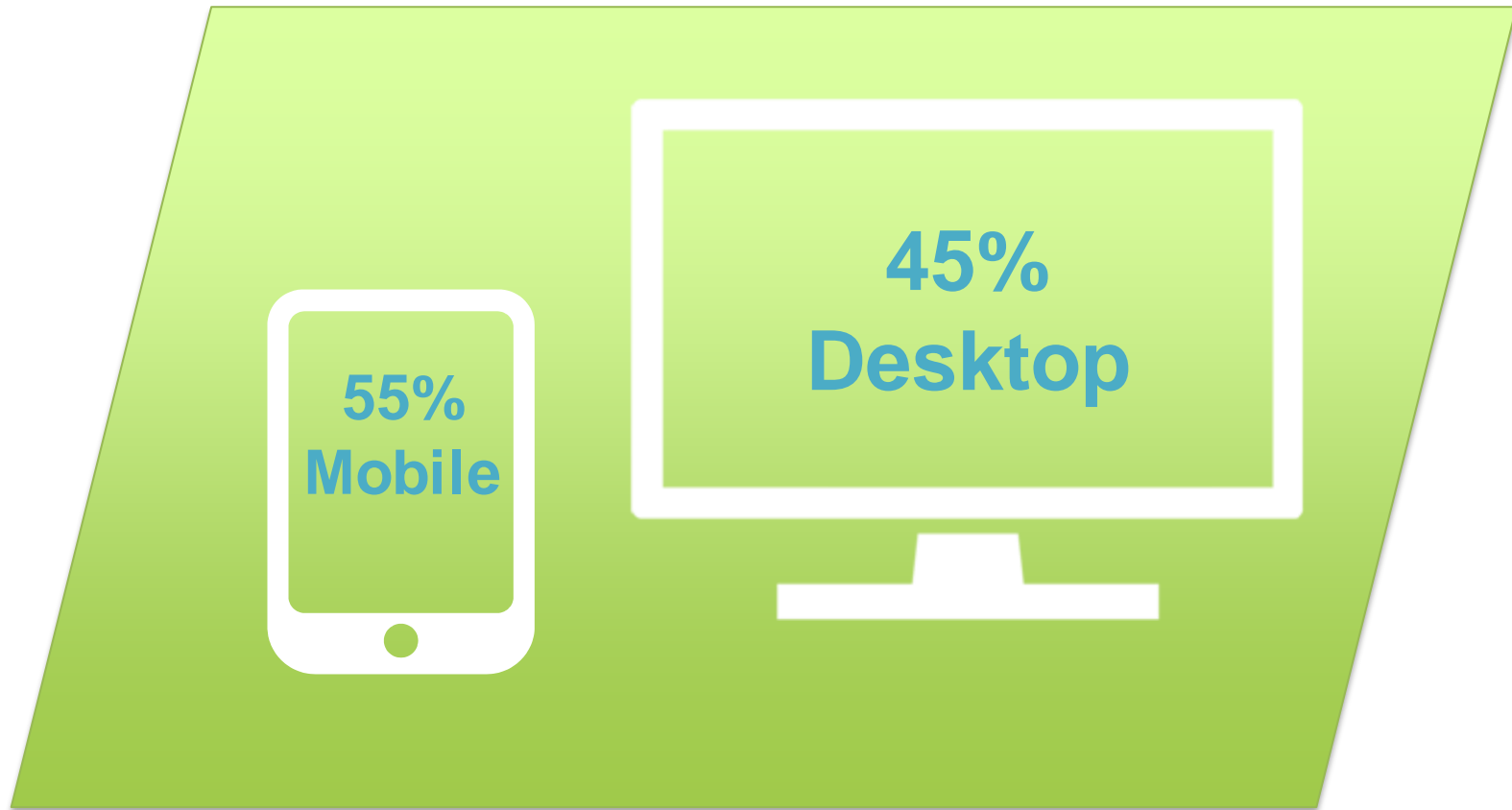


Source: comScore Media Metrix Multi-Platform, June 2013

Note: Jun-2010 Mobile is estimated based on earliest observed comScore smartphone engagement data calibrated by number of smartphone users at that time



## Multi-Platform Consumption is Today's New Reality: Over Half of all Minutes Online are Spent on Mobile Devices



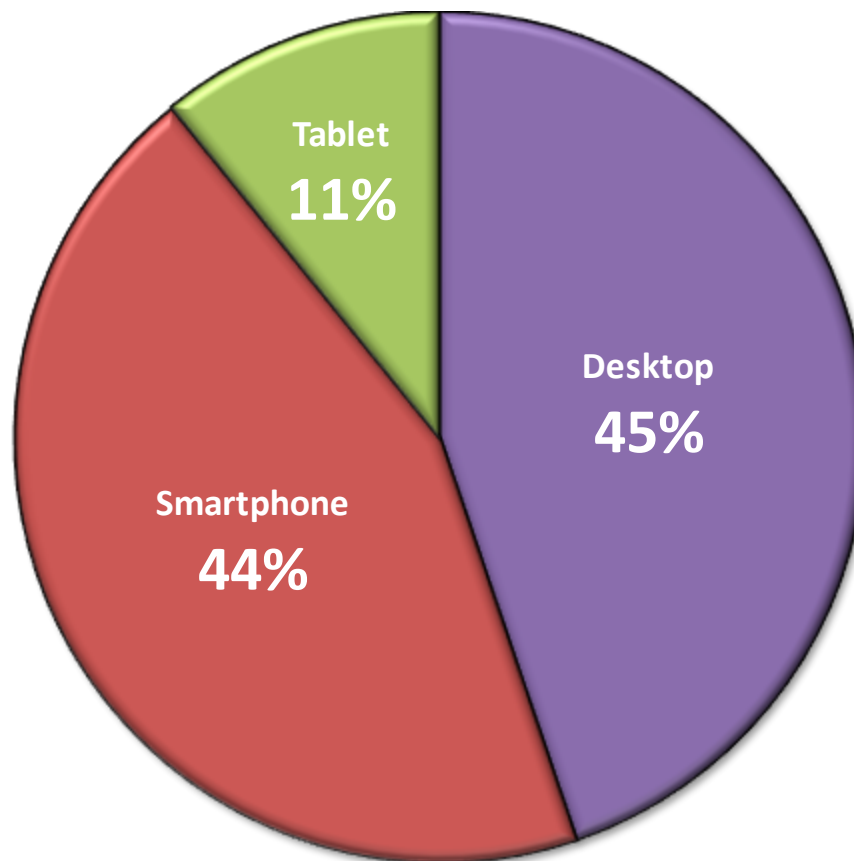
Share of Daily U.S. Device Page Traffic. Source: comScore Media Metrix Multi-Platform, June 2013



# Mobile Overview for Retailers



## Among Retail Websites, 55% of all Time Spent Online is Now Accessed Via a Mobile Device

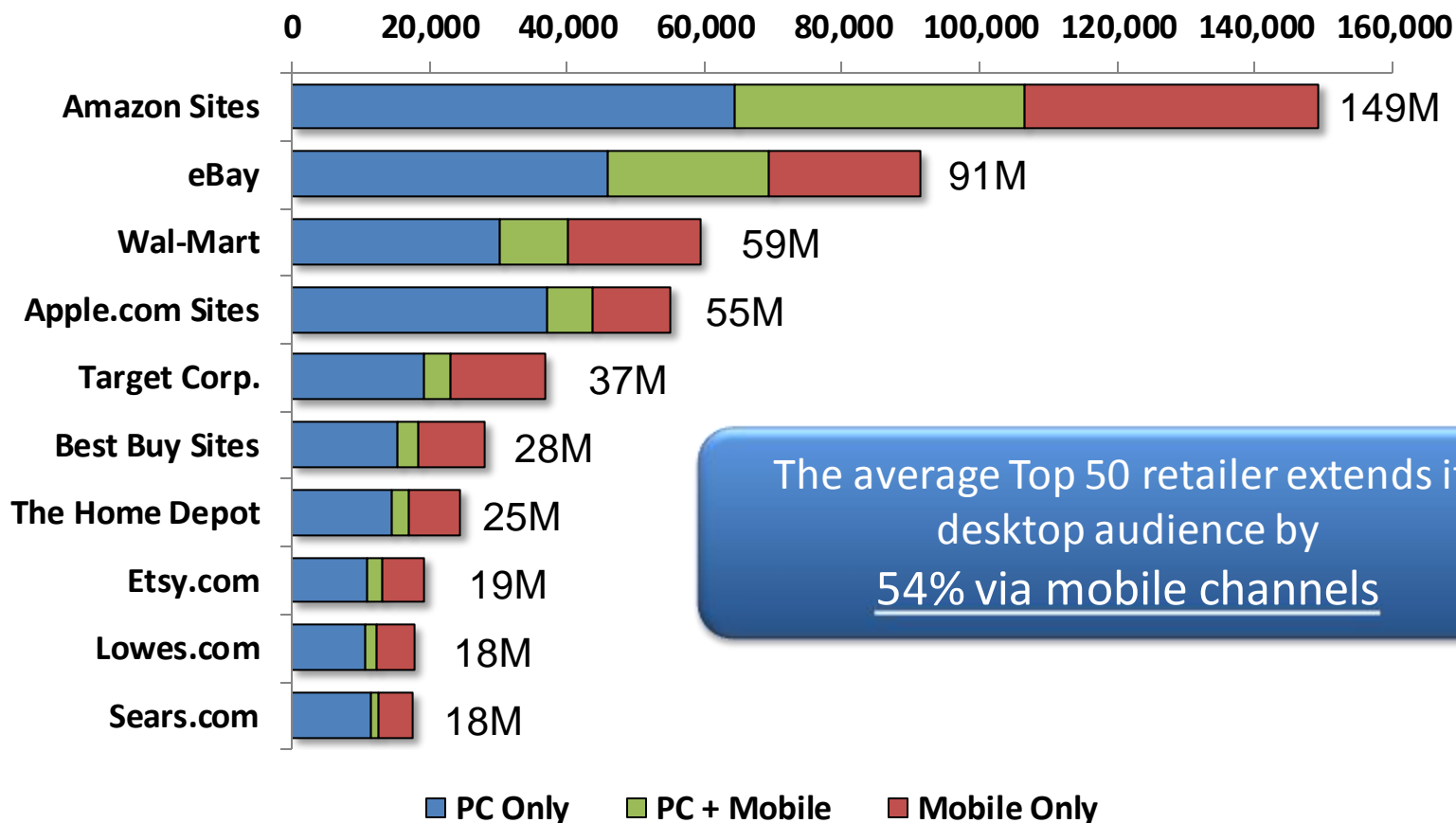


Source: comScore Media Metrix Multi-Platform, June 2013



### Retailers are Significantly Extending Their Overall Digital Reach Via Mobile Devices (Smartphones and Tablets)

Selected Leading Retailers: Total U.S. Digital Population; Unique Visitors (000) by Platform



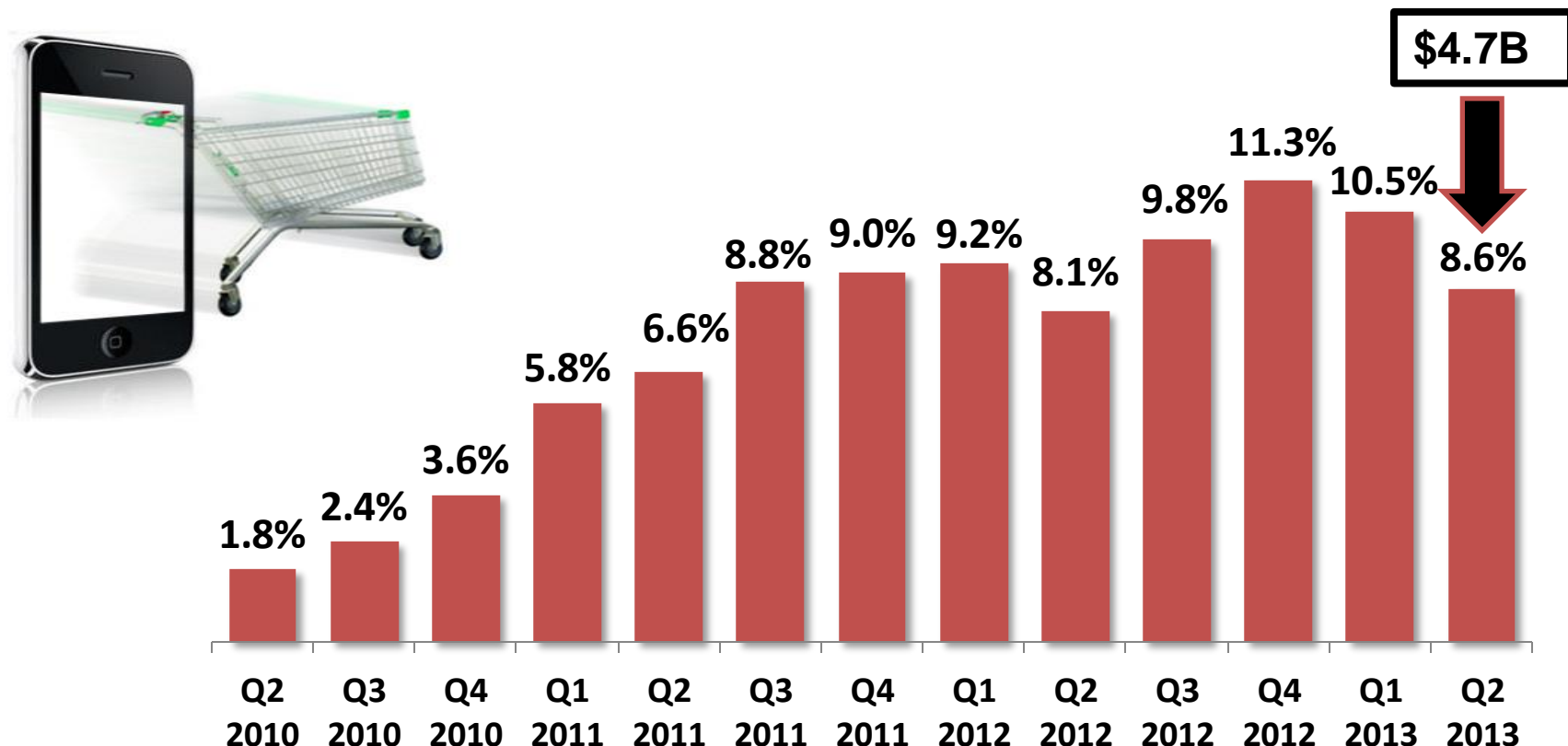
The average Top 50 retailer extends its desktop audience by 54% via mobile channels

Note: Mobile = Smartphone + Tablet





At \$4.7 Billion in Q2 2013, m-Commerce Accounted for 8.6% of All Retail e-Commerce – Up from \$3.8 Billion in Q2 2012

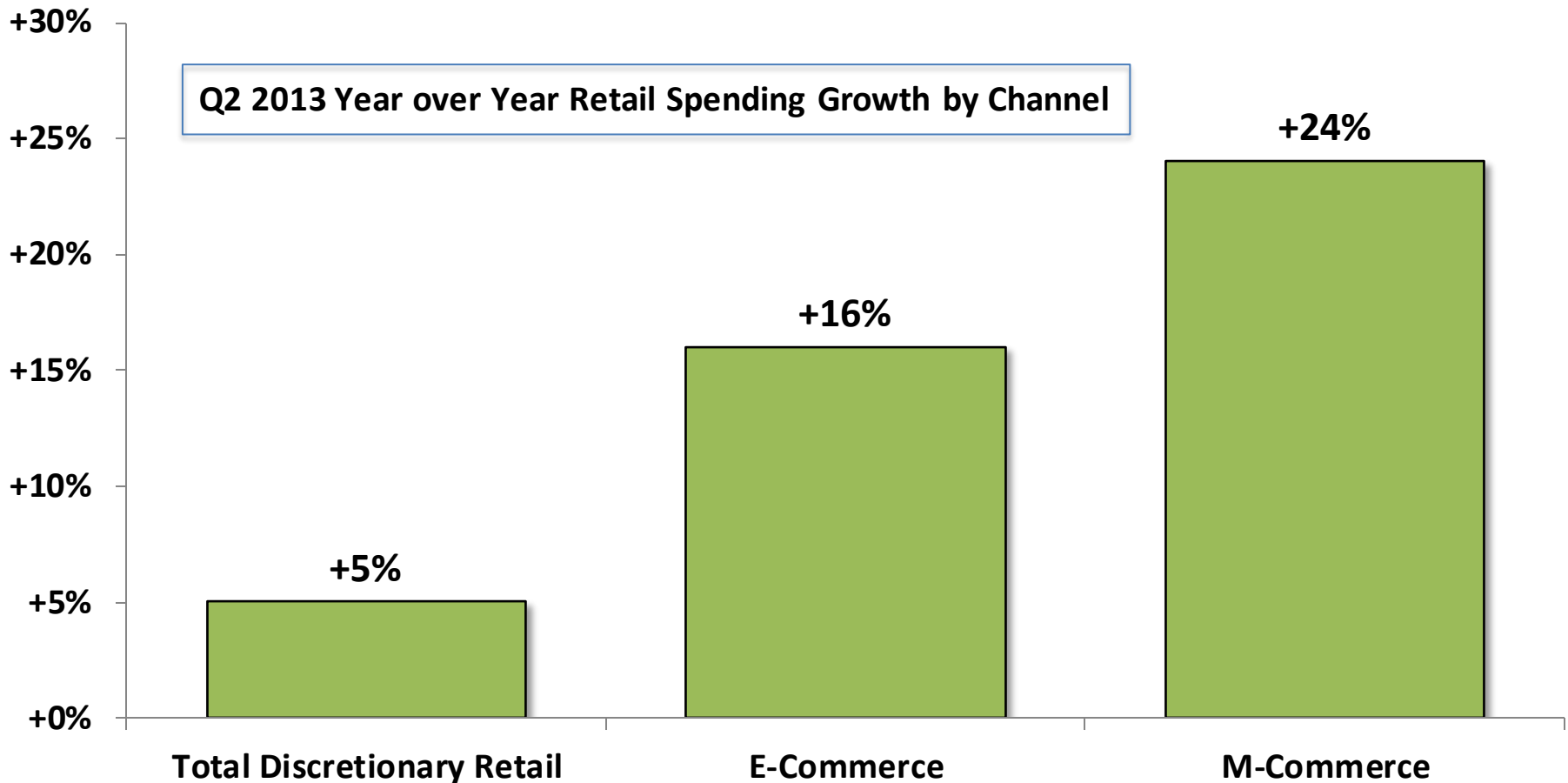


Percentage of Retail e-Commerce Dollars Spent via Mobile (Smartphone & Tablet)

Source: comScore E-commerce & M-commerce Measurement



## m-Commerce Growth is Significantly Outpacing Growth in e-Commerce and Standalone Retail Stores



Sources: Dept. of Commerce; comScore E-commerce & M-commerce Measurement, Q2 2013

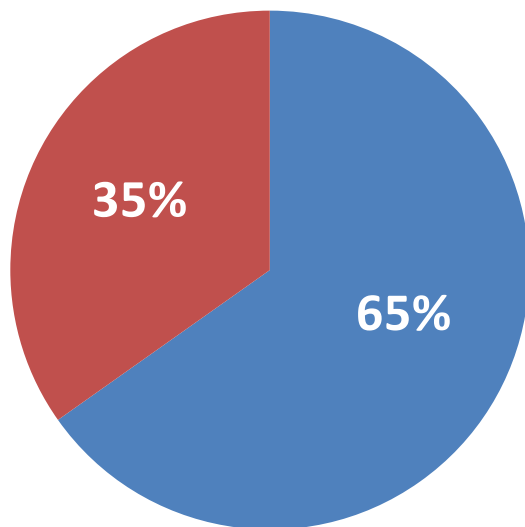


# **Mobile Overview for Retailers – Shopping Activity on Smartphones and Tablets**



## About Two-Thirds of Smartphone Owners Use Their Phone for Shopping Activities

### Mobile Shopping Activities Among Smartphone Owners



- Used Smartphone for Shopping Activities (Mobile Shopper)
- Did NOT Use Smartphone for Shopping Activities

Who is shopping?

iPhone owners are slightly more likely to engage in mobile shopping activities compared to the average Smartphone owner

25-34 year olds perform shopping activities most on their Smartphones

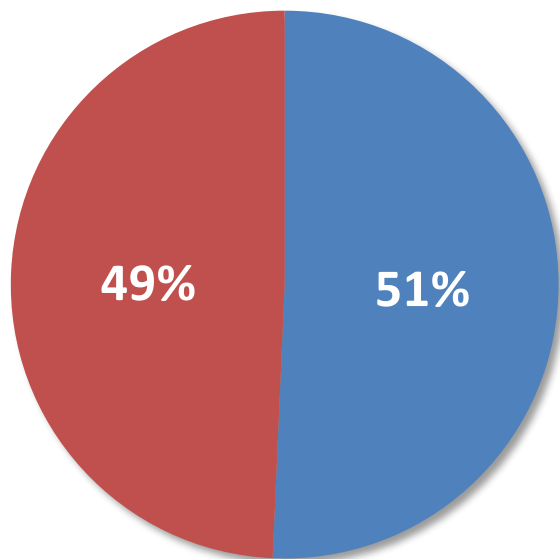
*Mobile Shopper = Used deal-a-day, made shopping lists, checked product availability, compared product prices, found coupons or deals, found store location, researched product features; In-store: scanned a product barcode, sent picture of a product to family/friends, texted or called friends/family, took picture of a product. Purchase activity not included.*

Source: comScore MobiLens 3 month average ending June 2013



### Half of Tablet Owners Perform Shopping Activities on their Devices, and the Majority of Consumers use their Tablet Primarily at Home

**Tablet Shopping Activities  
Among Tablet Owners**



- Used Tablet for Shopping Activities
- Did NOT Use Tablet for Shopping Activities

Who is shopping?

Over one third of Tablet owners have a household income of \$100k+

25-34 year olds are most likely to shop on their Tablet

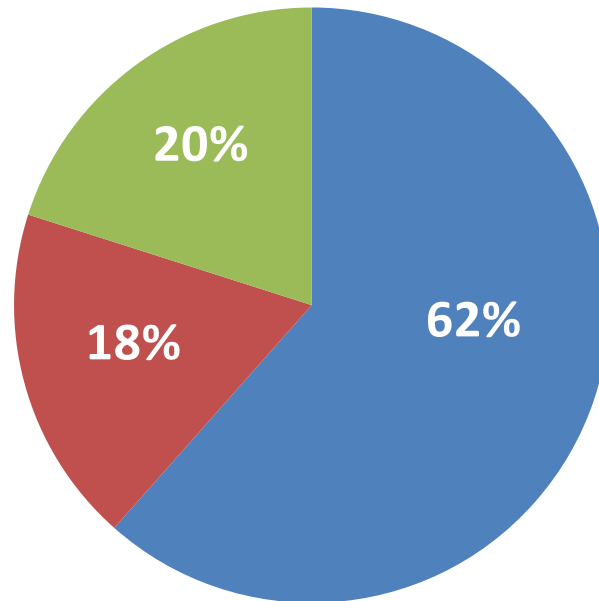
*Mobile Shopping Activity=Made shopping lists, checked product availability, compared product prices, found coupons or deals, found store location, researched product features. Purchasing activity is not included.*

Source: comScore MobiLens 3 month average ending June 2013



## Most Tablet Owners Use Their Device More Like a PC than a Mobile Phone

Q. Is the Tablet used more like a desktop/laptop or a mobile phone?

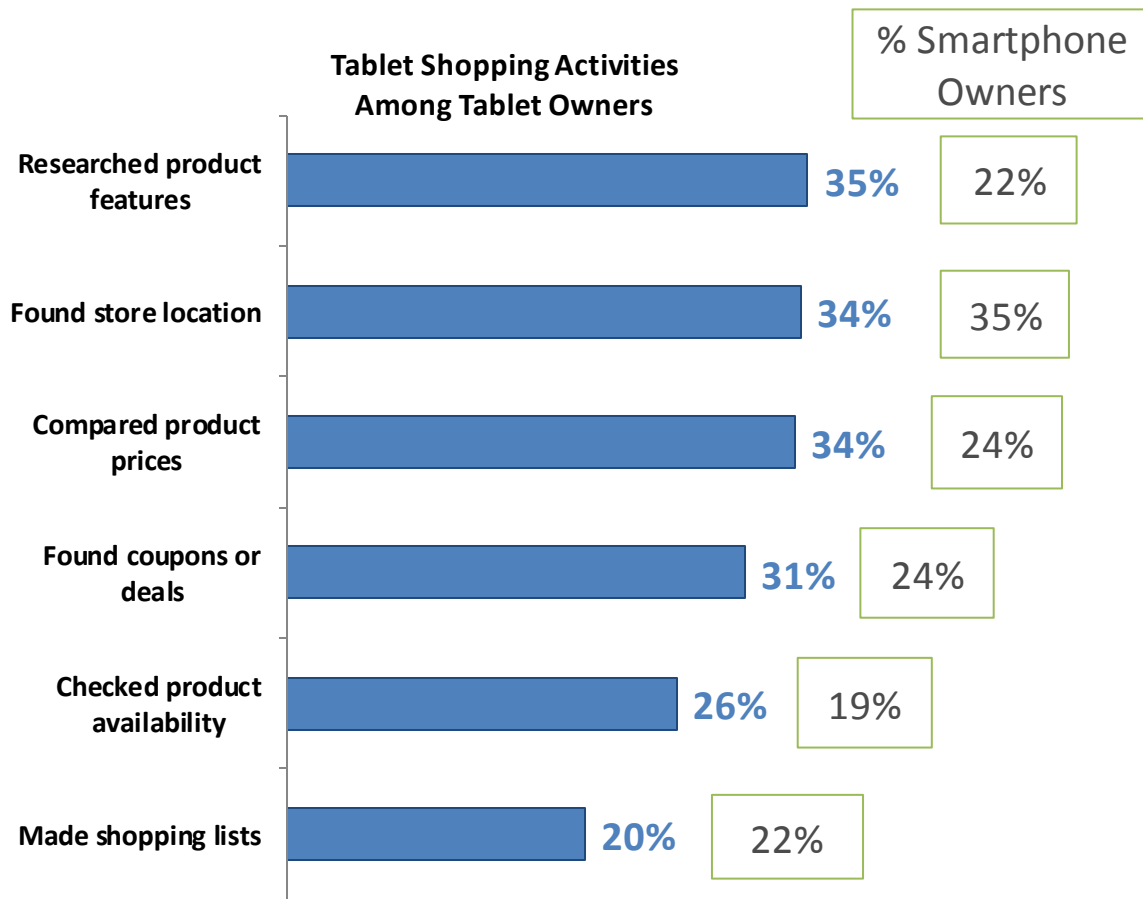


■ More like a PC ■ More like a Mobile Phone ■ Use all three similarly

Source: Custom Mobile Retail Advisor Survey February 2013



### Consumers Are More Likely to Engage in Shopping Activities on a Tablet than on a Smartphone



Researching product features, looking for store locations and comparing prices are the most popular shopping activities on tablets

While in a retail store, 23% of smartphone owners took a picture of a product, and 11% said they used their phone to compare prices or find coupons/deals



# **Mobile Overview for Retailers – Purchasing on Smartphones & Tablets**

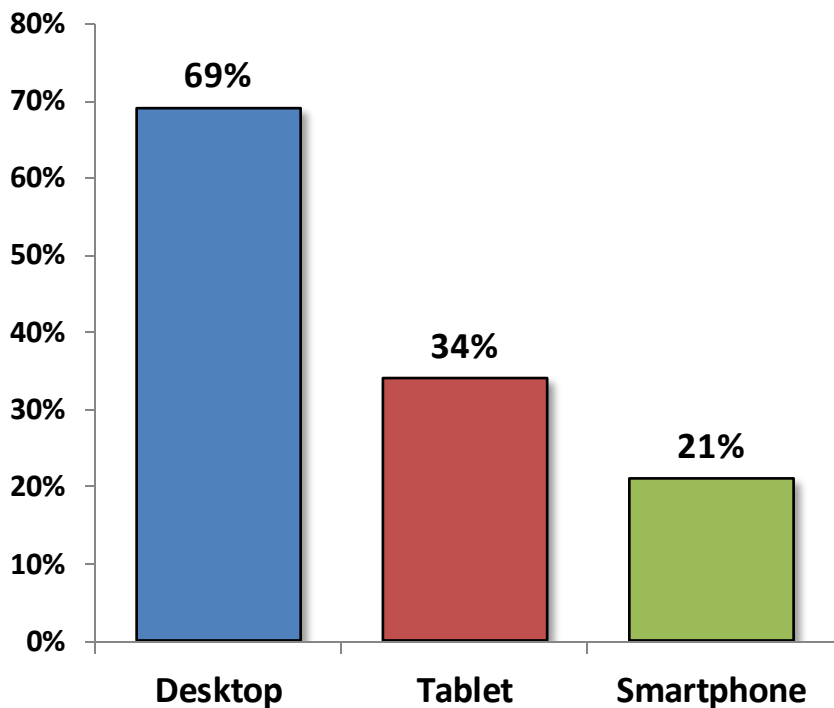




## Buyer Penetration is Higher Among Tablet Owners, but Smartphones Still Lead in Spending per Buyer

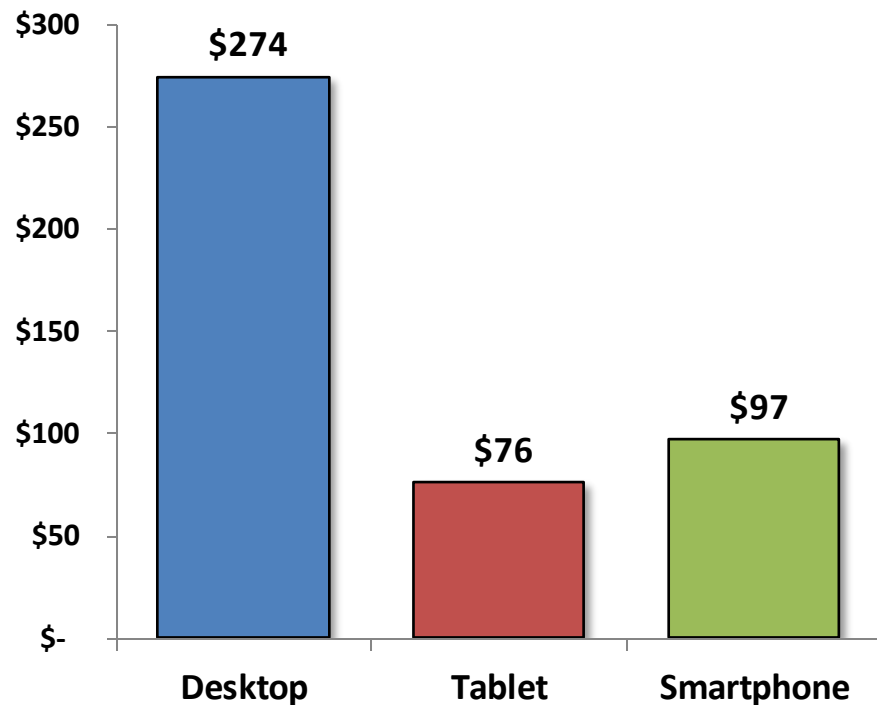
### Q2 2013 Buyer Penetration by Platform

Source: comScore e-Commerce & m-Commerce Measurement



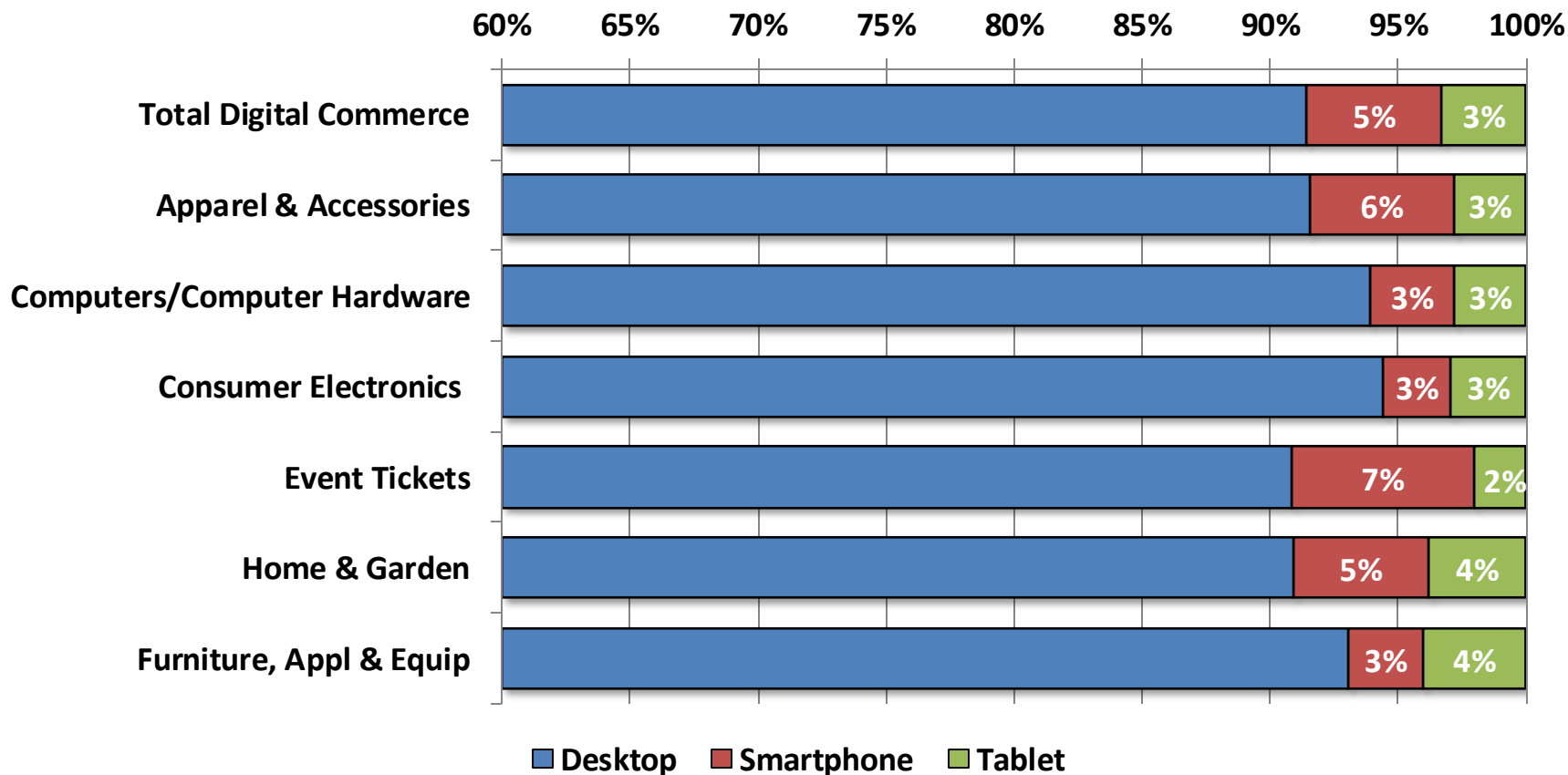
### Q2 2013 Spending per Buyer by Platform

Source: comScore e-Commerce & m-Commerce Measurement



### Apparel/Accessories, Event Tickets and Home & Garden Were the Top Three m-Commerce Purchase Categories in Q2 2013

Q2 2013 Share of Product Category Digital Commerce Spending by Platform



Source: comScore e-Commerce & m-Commerce Measurement



### Apparel/Accessories, Tickets and Books are the Top 3 Categories for Smartphone Purchases

Types of Goods or Services Purchased	% of Smartphone Purchases
<b>Apparel &amp; Accessories</b>	<b>37%</b>
<b>Event Tickets (concerts, movies, theater, sporting events)</b>	<b>25%</b>
<b>Books (not eBooks)</b>	<b>23%</b>
<b>Meals for delivery or pickup</b>	<b>22%</b>
<b>Consumer electronics/household appliances</b>	<b>20%</b>
<b>Daily deals or discount coupons</b>	<b>19%</b>
<b>Personal care/hygiene products</b>	<b>18%</b>
<b>Gift certificates</b>	<b>14%</b>
<b>Groceries</b>	<b>12%</b>
<b>Sports/Fitness equipment</b>	<b>11%</b>
<b>Flowers</b>	<b>10%</b>
<b>Auto/Auto parts</b>	<b>10%</b>
<b>Furniture</b>	<b>8%</b>
<b>Hotel accommodations</b>	<b>8%</b>
<b>Airplane tickets</b>	<b>8%</b>
<b>Car rental/ground transportation</b>	<b>5%</b>

Source: comScore MobiLens 3 month average ending June 2013



### Clothing and Accessories are the Most Popular Tablet Purchases, Followed by Books and Tickets

Types of goods or services purchased	% of Tablet Purchases
<b>Apparel &amp; Accessories</b>	<b>56%</b>
<b>Books (not eBooks)</b>	<b>28%</b>
<b>Event Tickets (concerts, movies, theater, sporting events)</b>	<b>24%</b>
<b>Consumer electronics/household appliances</b>	<b>22%</b>
<b>Daily deals or discount coupons</b>	<b>22%</b>
<b>Gift certificates</b>	<b>20%</b>
<b>Personal care/hygiene products</b>	<b>19%</b>
<b>Meals for delivery or pickup</b>	<b>16%</b>
<b>Groceries</b>	<b>14%</b>
<b>Hotel accommodations</b>	<b>13%</b>
<b>Airplane tickets</b>	<b>12%</b>
<b>Sports/Fitness equipment</b>	<b>11%</b>
<b>Flowers</b>	<b>9%</b>
<b>Furniture</b>	<b>7%</b>
<b>Car rental or ground transportation</b>	<b>6%</b>
<b>Auto/Auto parts</b>	<b>6%</b>

Source: comScore TabLens 3 month average ending June 2013



# Retailer Considerations



## Retailer Considerations

### Strive for the Mobile Benchmarks

- Mobile is expanding total time online (and shopping trips)
- It's an incremental market development
- 55% of time spent by shoppers on retail websites is via Mobile
- 9-10% of total ecommerce sales from Mobile
- How's your company doing? Getting your Fair Share?

### Location and Time Driven Campaigns

- Mobile forces the retail marketer to reconsider the “location and time” context of our digital messages
- Target campaigns based on time of day/day of week (implied location)...
- e.g. Early AM Monday, shopper is at home, Noon Tuesday, may be shopping in-store AND Saturday Night may be out on the town.

### Watch the Demos

- Shopping via Mobile skews to 24-35 yr olds –
- Some of this is adoption but can we remove barriers to mobile shopping for older shoppers
- Are there usability issues including font size, buttons? Forms?



## Retailer Considerations

### Social Commerce in the Phone

- 26% of shoppers use phone to take photos of items in stores and share with friends - a natural, non-platform driven social commerce trend
- It's not Facebook, just our contact list, text and pics... simple and natural and private
- Opportunity to create programs and promotions that encourage photos and posting
- Contests, Refer a Friend photos and other deals for photo sharing are key

### Welcome the WIFI

- Create a welcoming environment in store with free WIFI
- Drives the shopper to engage with your app... check out Kohl's mobile welcome to WIFI users
- Opportunity to target promotions if log in with email address
- Your site first. Don't leave them to go to Amazon or another competitor.

### Don't Miss the Simple Stuff

- Find a store location is the top shopping use for smartphones
- However, access to store directions on most sites is NOT simple
- Process must be few steps and easy with a single hand
- [m.gap.com/storelocator](http://m.gap.com/storelocator) is leading edge that accesses my phone location and direct links to google maps for directions

