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MOBILE

# Fashion and luxury purchases are 33pc of all mobile transactions

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Neiman Marcus snapping feature

### By NANCY BUCKLEY

Mobile purchases now account for 30 percent of ecommerce transactions and will likely increase as the rate of consumers choosing smartphones and tablets as their main medium of online shopping is increasing, according to a new report by Criteo.



Trends from mobile users have moved on from researching products to purchasing them, and that transactional behavior is particularly rising among fashion and luxury purchases. As mobile trends increase, it is important that luxury brands understand how to tweak their marketing strategies and presentations to the mobile user.

"Consumers are no longer just researching on mobile devices, but completing the entire path to purchase," Mollie Spilman, chief revenue officer of NYC-based Criteo.

"In addition to mobile-optimized websites and shopping apps, luxury brands need to influence consumers along their buying journey which now occurs across many different screens and devices," she said. "In a category that often sees impulse buys, there is a huge, and largely untapped, opportunity for marketers to drive sales on mobile devices through personalized advertising that targets potential customers with products they're

likely to buy in real-time."

In "State of Mobile Commerce Q4 2014," Criteo has analyzed individual transaction data, looking at over \$130 billion of annual sales across more than 3,000 online retailers and travel advertisers to uncover the new trends in mobile shopping in both the United States and the world.

## Shopping mobility

The report begins with the five new mobile trends in the U.S. The first of which is that mobile is for purchasing, not just research like it has been in previous years. This trend is seen as consumers are looking through more products on their mobile devices than they would on desktops.

Twenty-seven percent of all ecommerce in the U.S. is mobile, but the mobile traffic sale is higher at 38 percent. In these ecommerce transactions, 33 percent of the purchases are fashion and luxury and 27 percent is travel.

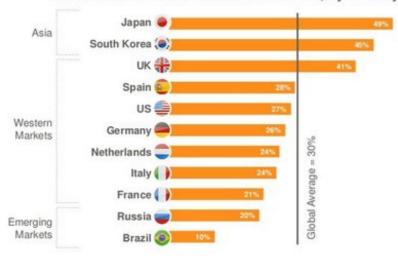


### Mobile share

Another trend in the U.S. is that mobile order totals are slowly increasing to match that of desktop orders. For fashion and luxury items, the average smartphone purchase is \$89 while the average tablet purchase is \$102.

It has been seen in the U.S. that Android users are approaching the number of iPhone users, signaling to brands that the focus should be split.

### Mobile Share of Online Retail Transactions, by Country



### International mobile transactions

In other countries, Android products account for the primary mobile device. For instance, in South Korea 86 percent of smartphones are Androids.

Android pushes have been seen by brands such as Audi and Starwood Hotels & Resorts. For instance, Starwood kept up with the expansion of its Starwood Preferred Guest program in the brand's fastest-growing market by releasing an Android application for Chinese consumers (see story).

Also, Audi of America expanded its MMI infotainment system to let Android users synchronize their smartphones (see story).

For the future of mobile it is evident that in Asia 50 percent of ecommerce transactions will be on mobile fairly soon.

Marketers are expected to change with the trends and accommodate to mobile optimization and understand the cross-device behavior of consumers.

# Making it easy

Mobile ads and purchasing from luxury brands have been encouraging mobile sales.

For instance, Italian label Giorgio Armani advertised its gift collections on the mobile site of New York magazine's The Cut with a banner ad that clicks-through to holiday suggestions.

The Cut's mobile site typically hosts a banner advertisement across the top of the screen, and Armani used this space to present a simple ad enticing readers to discover more about the holiday collection. Holiday mobile ads offer readers a reminder of the impending gift-giving season and may see more click-throughs as consumers try to focus on their holiday purchases (see story).

Also, department store chain Neiman Marcus has updated its mobile application to provide a quick and easy shopping option for consumers through a new "Snap. Find. Shop." feature.

Neiman Marcus has paired with mobile visual search firm Slyce to create a shopping

feature that allows consumers to snap a photo of an item they like and have the app find a similar item sold by the retailer. Snap. Find. Shop. will likely appeal to the younger, more tech-savvy consumer who is interested in finding the latest trends and styles (see story).

Fashion brands are becoming more and more prevalent on mobile and easing the consumer's shopping experience is crucial to stay competitive in the mobile sphere.

"Luxury and fashion sees more mobile shopping than any other category," Ms. Siplman said. "In fact, a third of all fashion transactions now come from mobile, with average order values very close to desktop levels.

"Unlike past trends, we're finding that consumers are willing to spend just as much on their smartphone as on their desktop," she said.

Final Take

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