

RESEARCH

## Holiday shopping delivers social commerce gains, mobile frustrations

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*2015 to show more of social commerce*

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By STAFF REPORTS

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**Luxury Daily**

New research from several sources last week shows that while mobile sales are growing this holiday season, users are frustrated with the mobile shopping experience and that social commerce could be next year's fastest rising star.

Ultimately, unsatisfactory mobile experiences are causing frustration among consumers. While they have certain expectations from retailers in regards to mobile capabilities, such as payments and a seamless user experience, a significant portion of retailers are dropping the ball this holiday season.

"Social is a tool for retailers to provide a more positive, timely and contextually relevant experience for their customers," said Eric Karofsky, director of vertical practice lead at Mobiquity. "Particularly during the holidays, retailers are in competition with hundreds of other brands and offers.

"A **robust social marketing plan** is essential, especially if it involves sending time-sensitive deals to followers on Twitter, Facebook and other social media sites," he

said. “While some retailers have ‘cracked the code’ of top-notch marketing campaigns, our recent study findings show many have not.

“Next year, we expect to see more seamless relationship building with consumers on social and retailers looking to not only react to customers, but surprise them in a positive way.”

## **Social driving sales**

MarketLive’s holiday shopping data highlights the impact of social.

For the season to date, MarketLive merchants with the 15 highest sales figures, attributed to social media, achieved average social media revenue gains of 212.31 percent and average social traffic gains of 210.12 percent year over year. These numbers are significantly higher than the index as a whole, which saw gains of 135.7 percent for social revenue and 113.1 percent for social traffic. Some individual sites among the top 15 are seeing more than 20 percent of their traffic and 10 percent of their revenues originating from social media.

“While mobile is a huge story this holiday season, social is also making a splash,” said Ken Burke, founder and CEO of MarketLive, San Francisco. “Consumers are making purchases as a result of social interactions.

“We’re seeing gains in social conversions for those merchants who are engaging with users and rewarding them for doing something socially on their sites via promotions and other social loyalty programs,” he said. “Our overall numbers show that social sources account for almost 10 percent of revenue and more than 20 percent of site visits, for our customers like Berkshire Blankets, Brickhouse and Learning Resources who are doing it right.

“Moving forward, merchants need to really pay attention to these results and think about ways to start getting their customers engaged on their site through social media.”

## **Disappointed consumers**

According to recent research from Mobiquity, 33 percent of consumers believe they should be able to pay for a purchase with their mobile phone, and only 24 percent say they can do so today. Also, 39 percent think brands should provide the same look or feel across devices, and only 22 percent say they experience the same look or feel across channels today.

Consumers top complaints include slow mobile times (42 percent), inconsistent user experience (37 percent) and not enough mobile accessible information (26 percent), and 54 percent of consumers say retailers only meet expectations or inconsistently meet expectations when asked about brands’ use of technology throughout the shopping experience. Merely 16 percent awarded retailers with an “A” grading, and Mobiquity believes this statistic highlights the need for retailers to make improvements to both their backend infrastructures and user-facing applications.

The overall concept from the report alludes to disconnect between retailers and consumers, and what consumers expect on mobile is different from reality.

## **Around the world**

Tech company Run a Shop analyzed 125,000 online transactions in seven countries between Nov. 1 and Dec. 15 to see how much mobile played as a contributor to this year's holiday shopping sales.

Run a Shop found that 12.4 percent of this year's Christmas gifts are bought via mobile. According to its research, Britain and Australia are the leading mobile commerce countries; 14.9 percent of all Christmas gifts are purchased via smartphones and tablets in Britain and 14.2 percent in Australia.

Canada and the U.S. are right behind. Gifts bought via mobile devices lead to a substantial share of 13.3 percent in Canada and 12.7 percent in the U.S.

Most mobile purchases are made on the weekends and in the evening hours. In Canada, France, Germany, Britain and the U.S., online retailers gain 18.5 percent of their weekly revenues on Sunday.

"The mobile technology disconnect between consumers and retailers can be attributed to several factors," Mr. Karofsky said. "However, the primary disconnect happens when there's a mismatch of expectations and execution.

"The first thing retailers should tackle is better understanding the priorities and needs of their customers. Retailers should also look to equip their employees about how new loyalty programs or payment technologies can help ease pain points customers experience in-store and online," he said. "Critical to this process – today and in the future – will be measurement and optimization of how technologies are helping or falling flat."

## **Final Take**

*Caitlyn Bohannon is an editorial assistant on Mobile Commerce Daily, New York*

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