

MOBILE

## 62pc of retailers expect zero ROI from holiday mobile alerts: report

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*Michael Kors Instagram image*

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By CHANTAL TODE

While 20 percent of consumers plan to shop on a tablet or smartphone during the upcoming holiday season, none of the retailers participating in a recent survey expect to see a high return on investment from mobile alerts and 62 percent expect the return will be zero.

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**Luxury Daily**

The report from Listrak, *What Omnichannel Shoppers Want this Holiday Season, and What Retailers Will – and Won't – Deliver*, found that retailers' expectations for ROI on investments across digital channels do not match up with what consumers deem helpful. The fact that retailers do not expect much ROI from mobile alerts suggests they do not have a strategy for using SMS and push notifications to reach their shoppers with the right message.

“Because mobile is such an intimate channel, it shows up on my smartphone's lock screen and buzzes in my pocket after all, the communications sent via mobile need to be highly personalized,” said Ryan Hofmann, chief brand strategist at Listrak. “There are several use cases where retailers would make significant ROI, first and foremost around transactional communications.

“Retailers like Amazon.com and a handful of others, will send me SMS alerts, push notifications or both (if I opt-in for them), that let me know that my package has shipped, when it should arrive, and when it has been delivered to my doorstep,” he said. “This kind of experience is extremely important during the holidays when shoppers concerns about getting their packages on time matters the most.

“During the final days leading up to Christmas, the primary spike in call center volume (and cost) are customers calling in to ask where their package is. What better way to prevent these calls in the first place than by having a great mobile alert experience in place to reassure customers that their package will arrive on time and to reinforce it with a mobile delivery confirmation when it does.”

#### Abandoned cart notifications

Mr. Hofmann also recommends that retailers explore use cases where ROI is already known to be significant, such as abandoned cart notifications, and look for ways to adapt these for mobile.

“For years, retailers have known that abandoned cart emails are quite possibly the highest ROI-generating message they can send, but very few if any have a corresponding strategy to reach me via mobile,” Mr. Hofmann said. “One retailer who does a great job at this is Office Depot.

“Because I have the Office Depot mobile app installed, if I abandon my cart on my phone, they will reach out with a push notification encouraging me to complete my purchase,” he said.

#### Meeting mobile needs

A key finding from the report is that while 67 percent of consumers said search engine marketing is very or somewhat helpful when shopping for gifts, only 41 percent of retailers expect high ROI from their SEO/SEM efforts.

A similar discrepancy between consumers’ choices and retailers’ expectations exists for social media.

Only 9 percent of consumers plan to use social media to help plan their shopping list, 25 percent say social media is one of the best ways for retailers to reach them during the holiday shopping period and 43 percent said social media is very or somewhat helpful in making holiday shopping decisions.

From the retail perspective, 12 percent expect their social media investment to product high ROI while 24 percent expect no return on their investment.

Listrak found that retailers are making headway in meeting shoppers’ mobile needs, with 71 percent providing a responsive Web site and 65 percent responsive emails. However, just 13 percent offer a mobile shopping app.

#### Omnichannel expectations

The survey of consumers uncovered strong interest in omnichannel shopping experiences. However, retailers need to be doing more to put omnichannel policies in place.

The report found that 19 percent of consumers plan to purchase gifts online and pick them up in-store when possible.

One finding that retailers should pay close attention to is that 60 percent of consumers strongly or somewhat agree that the ability to buy online and pick up in-store influences where they make holiday gift purchases while 25 percent strongly agrees.

Consumers are also interested in convenient returns, with 72 percent strongly or somewhat agreeing that the ability to buy online and return in-store influences where they plan to make holiday gift purchases.

In terms of what retailers will be offering, 25 percent will offer purchase online, pick up in-store capabilities, 27.4 percent will offer purchase online, return in-store and just 2.74 percent will offer curbside pickup.

“Given that Google’s Mobilegeddon update which was released earlier this year, and penalized websites that were not mobile-optimized, I still find it very surprising that 29 percent of retailers still do not have a responsive, mobile-friendly Web site,” Mr. Hofmann said. “Equally as surprising, when you consider that over 50 percent of retailer emails are opened on a mobile device, is that 35 percent of retailers still do not have responsive, mobile-optimized email templates.

“The smartphone is and has long-been a mobile email reader and is now really coming into its own as a mobile shopping device,” he said. “Retailers still have work to do in both the email and Web channels to deliver the experience that today’s mobile-enabled shoppers expect.”

#### Final Take

*Chantal Tode is senior editor on Mobile Commerce Daily, New York*

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