MOBILE

No easy answers regarding mobile site vs. mobile app

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Net-A-Porter's The Edit app

By FORREST CARDAMENIS

NEW YORK When brands are experimenting with mobile Web design and mobile applications, they need to make sure the shoe fits the foot.

A panel at Luxury Interactive 2015 on Oct. 15 entitled "Working With a Mobile-First Mindset for Ecommerce Excellence" saw executives from hotels Ritz-Carlton and Mandarin Oriental, independent boutique Kirna Zabete and online retailer Net-A-Porter discuss the interrelations of activity and conversion on desktop Web sites, mobile sites and mobile apps. The relative success of each platform varies not just by industry, but even for brands selling similar products, showing there is no easy way to predict how each channel will perform even within a single industry.

"Mobile needs to be the same, if not better, than desktop because mobile is oftentimes the first go-to for any customer researching a room, researching a spa or researching a restaurant," said Christoph Oberli, former ecommerce executive, Mandarin Oriental Hotel Group. "I think if a brand manager is able to really bring mobile to the absolute forefront, they are definitely going to be successful."

Site or app?
In the hotel industry, the desktop used to be for in-depth research and for booking, with mobile being for preliminary discovery and, after booking, looking up information such as the hotel phone number or address. Today, mobile phones are used at various points in the booking process, with some consumers even booking on the mobile site or doing research from any place.

Left to right: Christoph Oberli, Eileen Shulock, Heather Kaminetsky, Sarah Lukas

This shift has had an impact on the design process as well. Panelists agreed that designers often bring their own experience using mobile devices to the design process, but doing so sometimes inadvertently ignores the profile of consumers, who may use platforms in different ways. Both the designers and the tech team need to put aside personal experiences and look at consumer activity, then base developments around the data.

When it comes to deciding whether or not a mobile app is needed in addition to a responsive mobile site, panelists all offered a distinct point of view.

"If you have a loyalty program, I think you should have an app," said Heather Kaminetsky, vice president of global marketing at Net-A-Porter Group. "We have found that what we call our EIPs, extremely important people, love to engage with our apps. The average order values are much higher [and] the units for transaction are higher.
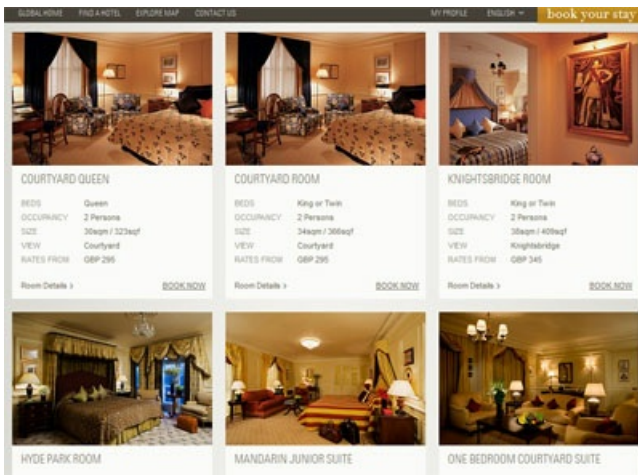

Mandarin Oriental Boston

"For us, having an app has been extraordinarily popular and a great way to engage with the customer," she said.

In the hotel industry, the nature of transaction is different enough to make an app less valuable, at least for some brands.

"A hotel reservation isn't a traditional purchase," said Mr. Oberli. "If it's just a repeat of content that's already on a Web site, apps are of no use.

"In the case of Mandarin Oriental, there are only 28 to 30 hotels, so the repeat guests or repeat visits are not that high, so people don't necessarily download an app that takes up space," he said. "A large hotel operator like Starwood or Marriott, it probably makes a lot more sense."

Another strategy is to partner with third party app, as is the case for independent boutique Kirna Zabete. For others, such as Ritz-Carlton, and app is not worth the expense it would take to push to consumers, although in the case of Net-A-Porter, very little money was spent marketing the app.

Mandarin Oriental London room comparison, desktop site

As one might expect given the difference an app has in importance by industry, activity and conversions are different even amongst brands selling similar products.

"Our customers spend far less time on our mobile site than our Web site," said Eileen Shulock, vice president of ecommerce at Kirna Zabete. "What I determined and I hope I'm correct is that they have a task. The woman is on a mission, and she's going to buy her handbag come hell or high water on her phone. So what we struggle with is, do we integrate more of an experience that is about the brand on a mobile app, or do we say, 'This is great, let her spend $2,000 in a minute, we love her?'

"So we have kind of written off that approach and I know everyone is talking about omnichannel because we haven't figured out how to do it," she said. "Do we hope people spend more time and are engaged in a meaningful way or do we say, 'Spend $2,000 and call it a day?'

Ritzcarlton.com homepage

Kirna Zabete has success on conversions and average order value on mobile, but Net-A-Porter struggles on mobile despite being in the same industry, albeit ecommerce only.

"Our app performs very well, but mobile is our new priority," Net-A-Porter's Ms. Kaminetsky said. "The activity is there, but it's not leading to conversions. The app downloads organically keep growing, and the mobile Web is outpacing it, but conversions aren't there."

Despite the extreme shift in product, the hotels have the same issue.

"Whether it's for the restaurant or a new spa booking, there is a lot of mobile activity, but we are struggling to figure how to get all that data back in see the whole picture, because conversions are not speaking to the quality of the experience and the success of the mobile site," said Sarah Lukas, senior director of Ritzcarlton.com.

"[We have] 40 percent mobile traffic, but booking is only about 10 percent," Mandarin Oriental's Mr. Oberli said. "So we do see a lot of activity, just not conversion."

Photo of "Working With a Mobile-First Mindset for ecommerce Excellence"

Although some patterns may be consistent within an industry, others defy such simple explanation. Every brand will need to gather data on its own clientele and determine what combination of platforms is most appropriate for its consumers.

Getting mobilized
Brands in general have lots of room to improve when it comes to knowing their clientele, for in-store as well as digital transactions.

According to a recent study by Yes Lifecycle Marketing, many retailers are still unwilling or unequipped to tailor customer service to the individual.

The study looks at retailers in a variety of different sectors and finds that many have not sufficiently tracked clientele and are thus unable to provide sales associates with the personalized data that will help initiate and close a transaction. With consumers navigating freely between mobile, Web and in-store shopping, and brands therefore able to gather more information than ever before about frequent shoppers, properly cataloguing clientele has emerged as a way to provide the best possible customer service and showcase a great branded experience (see story).

Brands in yet another industry have found that a focus on mobile has the makings of a winning strategy.

A mobile-first approach has caused Barneys New York to reconfigure how responsive design is understood across channels, according to a senior executive from the retailer at Luxury Interactive 2015 on Oct. 14.

About nine months ago, Barneys launched a fully responsive experience across all of its channels and placed an emphasis on mobile devices in response to how its consumers prefer to interact with its editorial and ecommerce content. Oftentimes, marketers scale down what exists on desktop to be compatible with mobile, but Barneys challenges that idea stressing that, as per consumer behavior, the opposite strategy should be used (see story).

The prevalence of mobile also opens up questions about marketing in a global marketplace.

"One of the best things we ever did is, before signing off on a design, we asked 'Can I see this in German language, and with the currency in yen?'" said Ritz-Carlton's Ms. Lukas. "Then at least if you don't make any decisions you know what's on the horizon and are seeing all the problems you might have.

"I also think that dynamic image delivery based on the connection type and being able to control the quality of the experience, if you're getting a 4K image on a monitor with a connection in London versus a compressed image on a cell phone in India," she said. "I think the quality of the image delivery in a global environment is going to be the next step."

Final Take
Forrest Cardamenis, editorial assistant on Luxury Daily, New York