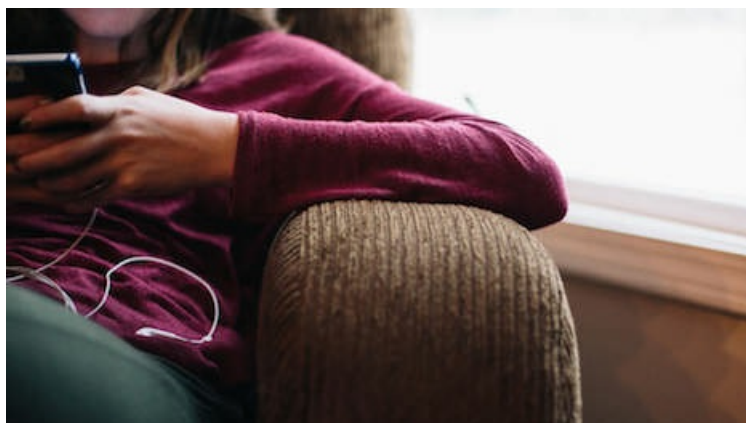RETAIL

Push notifications can bring in 16pc more spending to retail apps: report

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Push notifications can serve to keep customers engaged in the shopping process. Image credit: Leanplum

By DANNY PARISI

Push notifications, when used correctly, can be a valuable tool for retailers, driving almost 10 times more users to buy.

According to a new report from Leanplum, push notifications can greatly increase customers' engagement with a retail app. The report found that in-app spend can be increased by up to 16 percent with appropriate use of push notifications.

"The data validates that push notifications are essential to growing mobile app revenue," said Momchil Kyurkchiev, co-founder and CEO, Leanplum, New York. "When mobile brands run multi-channel campaigns including push notifications, email and in-app messaging, they see even greater levels of engagement."
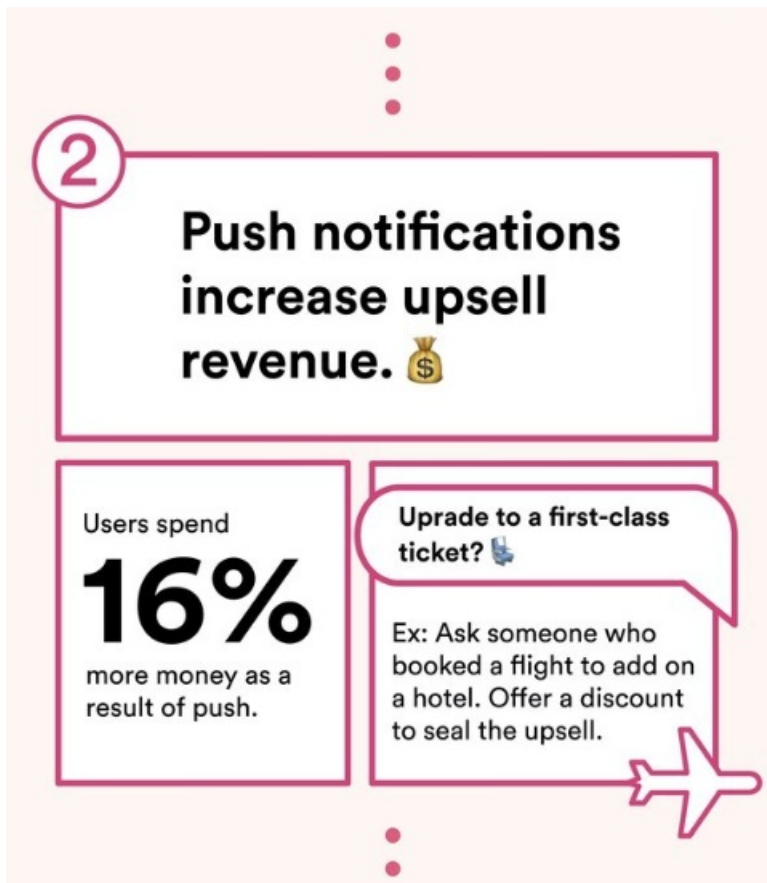
Push notification
Mobile shopping apps are popular among consumers, particularly young buyers who are more mobile-savvy than their elder counterparts.

For retailers, this is a great opportunity to target customers in real time and at opportune moments, since mobile can be accessed at any time.

But Leanplum found that 90 percent of mobile shopping carts are abandoned before the purchase is complete.

This can be attributed to a number of sources but the most notable is that mobile is an active platform and there are countless ways for customers to get distracted and forget about the cart they were using.

Push notifications drive upselling. Image credit: Leanplum

To remedy this, Leanplum suggests the smart use of push notifications can effectively drive engagement with a shopping app and keep customers on course.

When experimenting with push notifications, Leanplum found that customers who received push notifications were almost 10 times more likely to make a purchase than those that had not received any messages.

These notifications are most effective in the late afternoon and on the weekends, when customers have more leisure time and desire for online shopping.

Additionally, those that receive push notifications tend to spend 16 percent more than those that do not.

Mobile retail

Shopping apps have seen increased popularity in recent years.

Sessions in shopping applications increased by 174 percent in 2014 compared to a 76 percent increase for overall app usage, according to a new report from Yahoo's Flurry Analytics.

Calling 2014 the year that retail came to mobile in big way, Flurry Analytics' research shows that the shopping category increased by 220 percent on Android alone. Strong usage growth for utilities and productivity apps as well as messaging and shopping apps points to how consumers are integrating apps into their everyday lives (see story).

Retailers with mobile applications that take up a significant amount of space on smartphones can mitigate the problem by moving features to the cloud and using eight-bit images, but larger apps with unique functionality may have an edge.

10 times more purchases from push notifications. Image credit: Leanplum

Walgreen's is the latest example of a retailer slimming down its app to save room on consumers' smartphones, which can significantly reduce the risk of being the first to go when users run out of space, although the benefits of doing so may be moot in a few years. Retailers that are looking into slimming down should be careful not to do so in a manner that inhibits the user experience, as those with beneficial features that stand out from the competition can be successful despite a larger app size (see story).

In the modern retail landscape, push notifications can do an excellent job at bringing customers into a shopping app and completing purchases.

"This Mobile Marketing Trends report drives home the importance of adopting push to increase your brand's bottom line," Leanplum's Mr. Kyurkchiev said.