

RESEARCH

iPad makes up 89pc of mobile commerce revenue: study

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By LAUREN JOHNSON

iPads are still king when it comes to driving mobile commerce, according to a new study from RichRelevance.

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In RichRelevance's "The 2012 Q1 shopping insights mobile study," the company looked at how iPad shoppers are responsible for a solid chunk of browsing and buying on mobile. The study also looked at the buying habits of iPad owners, which has clear implications on how retailers should be developing tablet-specific efforts.

"Mobile has become a ubiquitous platform that all retailers need to account for in developing their online shopping experiences and recognize that the experience on a smartphone versus a tablet is vastly different than that of the desktop or laptop," said David Selinger, CEO of RichRelevance, San Francisco.

"Therefore, retailers should design the interfaces for these devices in accordance with how they are utilized in the shopping experience," he said.

"Further, if you operate a store environment, plan on facilitating experiences for your store personnel to be familiar with mobile shoppers — either in the pick-up of merchandise or in the shopping experience."

RichRelevance powers the shopping experiences of retailers such as Sears, Target and Marks & Spencer.

Tablet shoppers

The report found that mobile accounted for 9 percent of shopping sessions compared to Web shopping.

However, mobile's share of shopping revenue increased to 4.6 percent in May 2012, which

is up from 1.9 percent in April 2011.

The iPad makes up 64 percent of mobile shopping sessions, and other iOS devices accounted for another 17 percent.

Although there have been significant advancements in Google's Android and Microsoft's Windows, specifically around tablets, other operating systems only made up 19 percent of shopping sessions.

In addition to controlling mobile commerce, the iPad is also driving bigger digital shopping baskets.

Per the study, the average iPad order value is \$158 compared to \$153 on desktop devices. However, desktop commerce had higher unit sales per order with 6.9 units compared to the iPad with 3 units. This shows that iPads are being used primarily to purchase bigger-ticket items.

Specifically, the study found that the most expensive items purchased on iPads were televisions. Gift cards made up the largest portion of Web items sold.

The iPad had a conversion rate of 1.5 percent compared to other mobile devices with a .5 percent conversion rate, showing the lead opportunities that retailers have to entice iPad shoppers.

Mobile habits

The study also broke down the shopping behavior of iPad users.

As further evidence that tablets are at-home devices used primarily on the weekends, the study found that 7.6 percent of iPad sessions were made on a Saturday. Approximately seven percent were made on Sunday. The height of desktop shopping takes place on Wednesdays.

Time also plays a huge role for iPad shoppers. Almost half of all iPad shopping takes place between 5 p.m. and midnight.

The highest number of iPad sessions — 9.5 percent — take place at 9 p.m.

A user's demographic also surprisingly impacts whether they will make a purchase on their mobile devices.

For example, RichRelevance found that 12 percent of mobile shopping sessions came from Texas. To compare, mobile made up 5 percent of sessions in Montana.

Other heavy-hitting mobile shopping states include California, Georgia, Illinois and New York.

The study proves that retailers need to be developing strong mobile commerce strategies that focus on tablet devices because of the device's shopping habits.

Tablets are increasingly being placed in a category separate from smartphones and smart marketers need to realize the difference in user behavior, per Mr. Selinger.

“Whereas the smartphone is going to be driven by its accessibility, the tablet is going to be driven by their capability,” Mr. Selinger said.

“You see this in the difference in the average order value and the conversion rates — all those things prove that you have a different behavioral pattern through a similar piece of technology,” he said.

“While anecdotally this might not be surprising in how you think about how you use an iPad differently than an iPhone, this has now been proven in data.”

Final Take

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