

The News and Intelligence You Need on Luxury

COLUMNS

## Impact of mobile devices on ecommerce

July 17, 2012



By Peter Eckert



Fueling the Internet's next evolution, mobile devices are solidifying the new retail experience from bricks-and-mortar to the ease of click-to-order. With the proliferation of smartphones and tablets, mobile commerce is expected to grow significantly over the next three years.

ABI Research predicts that globally \$119 billion in goods and services will be purchased via a mobile phone in 2015, representing about 8 percent of the total ecommerce market. The mobile medium will be a key component of marketers' overall retail strategy, even though it is still in the early stages of growth.

Although the percentage of mobile commerce is just a fraction of ecommerce, it is revolutionizing the retail landscape.

## Sizing up

More consumers rely on mobile to make purchases not just on their device, but also in retail stores. It has become a powerful tool for retailers to increase sales, conversions and loyalty as well as track and mine consumer data for targeted marketing.

However, with evolving technologies, many retailers are also struggling with how to

effectively create a meaningful user experience across multiple channels.

Today, some of the largest retailers have already deployed special applications and mobile commerce sites designed for mobile devices to enhance the customer experience, while others expect mobile users to adapt to their existing ecommerce site.

For the consumer, it is very apparent when they access a site on their mobile phone that is not optimized – and, there are thousands of them.

Ecommerce sites do not translate well on to mobile devices because most were developed for PCs, leading to difficultly uploading and navigating. It is a common experience and easily drives consumers to other sites that are user-friendly.

Mobile commerce is all about convenience. Consumers can do more than make a purchase. They are using their phones to compare prices, find retail locations, read reviews and find coupons.

It is increasingly a competitive advantage for mobile sites to upload quickly and be easy to navigate as consumers weigh their options.

With so much at stake, why are companies either doing nothing or trying to repurpose their ecommerce site for mobile devices? While there is not a one-size-fits-all approach, repurposing an existing ecommerce site will simply not work.

Part of the problem is a lack of understanding of the technical limitations. Clearly, smartphones and tablets are equipped for Web browsing, but the technical limitations and subtle nuisances compared to a PC require some optimization.

The form factor of mobile devices requires resizing of elements and content to scale to a smaller screen size while also being responsive to touch.

In general, to successfully create a meaningful and compelling user experience, companies should conduct user research to determine the best strategy for their ecommerce solutions.

## Right fit

Looking forward, companies have two options.

Rather than trying to repurpose an existing ecommerce site, companies can build a mobile version of their ecommerce site.

Mobile sites have some cross-platform capabilities and should not require too many different designs.

The problem with this approach is the long-term cost of ongoing maintenance and adapting to other delivery channels.

A better, more long-term commerce solution should have a responsive design that fits a site to a given device, screen or browser.

In a nutshell, it is ideal for companies to have one Web site with one set of content and

one coding framework that can be easily updated as devices evolve.

While the upfront costs are more, the long-term costs will be significantly less. The cost to develop one responsive design site and cross-test it is far lower than other current alternatives.

Switching devices with a responsive design requires only a presentation layer adjustment, while switching devices with a mobile site can quickly drives up costs with new designs.

But there are missed opportunity costs to consider as well.

It is hard to define the loss of consumers who write-off an ecommerce site after repeated bad experiences. Making a change sooner than later can help position a retailer as a go-to mobile resource and benefit from the positive brand equity on the way.

THERE WILL BE a continual evolution in mobile devices.

As digital channels increase, it is going to become only more complicated. While fundamentally each channel has its own needs and limitations, companies need to take a holistic approach to the customer experience and the retail strategy. A short cut now may cost you later.

Peter Eckert is cofounder and chief experience officer of projekt202, Austin, TX. Reach him at peter.eckert@projekt202.com.

© Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your feedback is welcome.