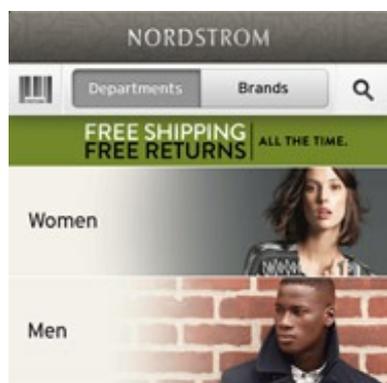


MOBILE

## One-third of luxury marketers fail to optimize mobile commerce: L2 Think Tank

February 19, 2013



By ERIN SHEA

One-third of luxury marketers offer mobile commerce options for consumers on non-optimized Web sites, according to a new report from L2 Think Tank.

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**Luxury Daily**

Key findings from the new “Intelligence Report: Mobile” include data showing that luxury brands across five categories are falling behind in mobile marketing efforts. Many luxury brands are not properly using their mobile commerce opportunities and therefore, may be losing potential sales.

“The 100 brands that L2 reviewed have made comparatively limited investments in mobile over the past 12 months,” said Colin Gilbert, research lead at [L2 Think Tank](#), New York.

“Bottom line [is that] brands are struggling to approach mobile in a smart, systematic manner,” he said.

The [L2 Intelligence Report: Mobile](#) measured the mobile intelligence of 100 brands on critical areas such as the brand experience on the site and mobile applications and the support and influence on the brand’s digital marketing and social media.

The brands measured comprise 29 fashion brands, 24 watches and jewelry brands, 18 beauty brands, 20 hospitality brands and nine retail brands.

## Mobile influence

The mobile platform has a much larger influence on the luxury industry than marketers may realize.

The data found that 23 percent of Google searches for terms associated with the brands studied originate from a mobile device.

However, only one-fourth of brands are optimizing paid search ads in mobile devices.

Luxury brands seem to be neglecting their mobile apps as well.

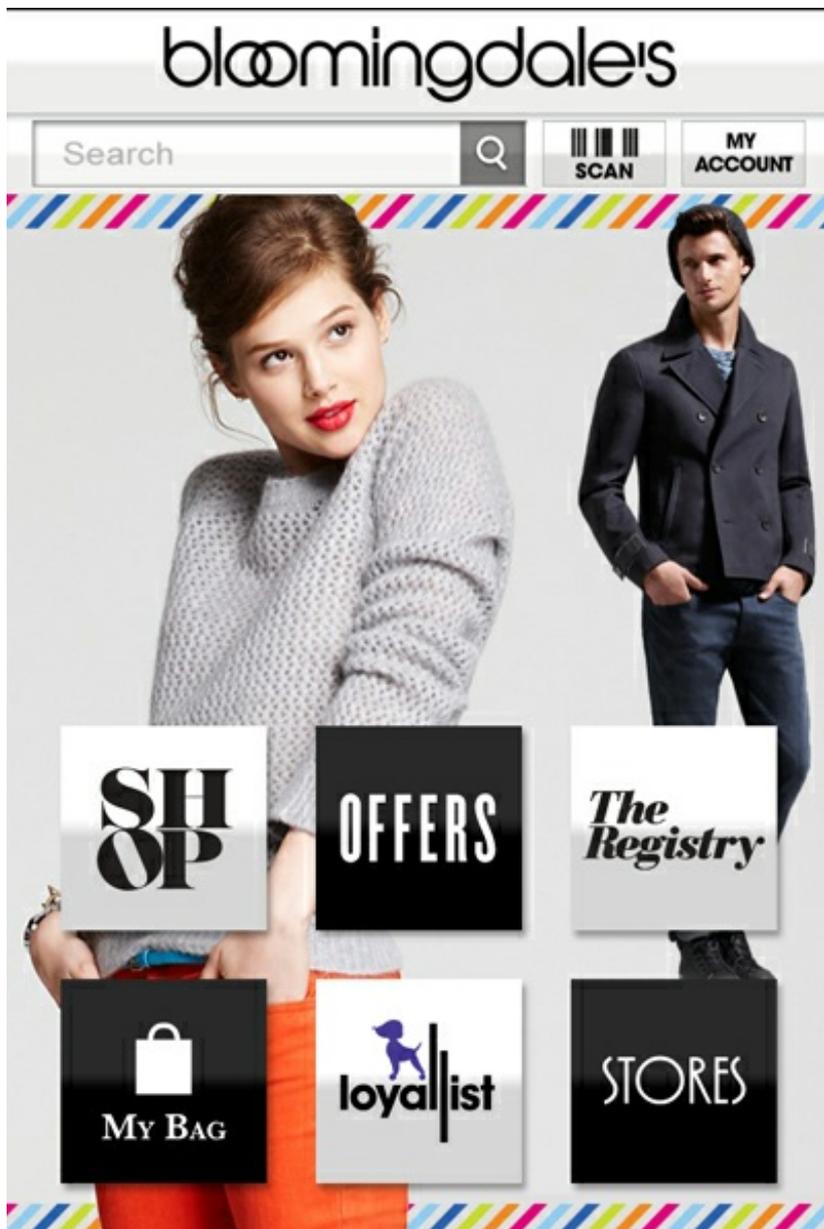
“Nearly 40 percent of brands elected to develop yet another mobile app in the past 12 months – an investment that frequently delivers low return on investment,” Mr. Gilbert said.

For instance, 40 percent of fashion brands released an app, but did not support it with incremental updates.

Twenty-seven percent of the 238 apps studied had never been updated after an initial release.

Watch and jewelry brands were found to be the most likely to launch an iPad app, as 89 percent of these brands have created iPad apps.

Although retail brands release far fewer apps, their apps are usually better for consumers because they are frequently updated, contain support in-app cart functionality and solicit substantially higher user feedback, per the report.



*Bloomingdale's app*

It's all relative

Luxury marketers need to step up their mobile efforts to cater to their consumers, according to the findings in the report.

Marketers should boost their presence in mobile advertising to remain relevant to their constantly-connected target consumer group, experts say.

While luxury brands have typically been cautious of engaging on mobile platforms, they should look to engage consumers on mobile devices since mobile ads can help them reach their target audience.

A decrease in the number of luxury marketers using mobile ads could mean that many do not fully realize what mobile can do for them ([see story](#)).

Mobile is critical since it can also affect other marketing platforms.

“Brands need to recognize that mobile is impacting retail revenues beyond purchases made on the small screen,” Mr. Gilbert said. “Mobile advertising, mobile alerts, dual

screen usage [and] showrooming all combine to influence consumer decisions and ultimately drive thirteen times the revenues typically traced to mobile devices today.

“This Intelligence Report attempts to demonstrate the ways in which mobile has a profound impact on a brand’s wider digital investments including site, search and social,” he said.

“Mobile is no longer an isolated marketing vehicle.”

Final take

*Erin Shea, editorial assistant on Luxury Daily, New York*

Embedded Video: <http://www.youtube.com/embed/IgMaKlCgK5o>

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