

RESEARCH

## One-third of retailers see more than 20pc of traffic coming from mobile: report

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By CHANTAL TODE

Pointing to the quick growth of mobile use for shopping, 29 percent of retailers now see more than 20 percent of their traffic coming from mobile devices, up from just 3 percent who could make this claim a year ago, according to a new report from the e-tailing group.

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In terms of revenue, 27 percent see more than 10 percent of their revenue coming from mobile, up from 5 percent a year ago, while 22 percent see between 5 percent and 9.9 percent of their revenue coming from mobile, up from 18 percent a year ago. The results underscore how mobile's presence is more important as traffic and revenues grow, pointing to the need for connected customers to factor into all strategic decisions.

“One in 3 retailers receives in excess of 20 percent of their traffic via mobile devices or apps,” said Lauren Freedman, president of the [e-tailing group](#), Chicago. “The fact that the shift is in place changes the dynamics for retailers.

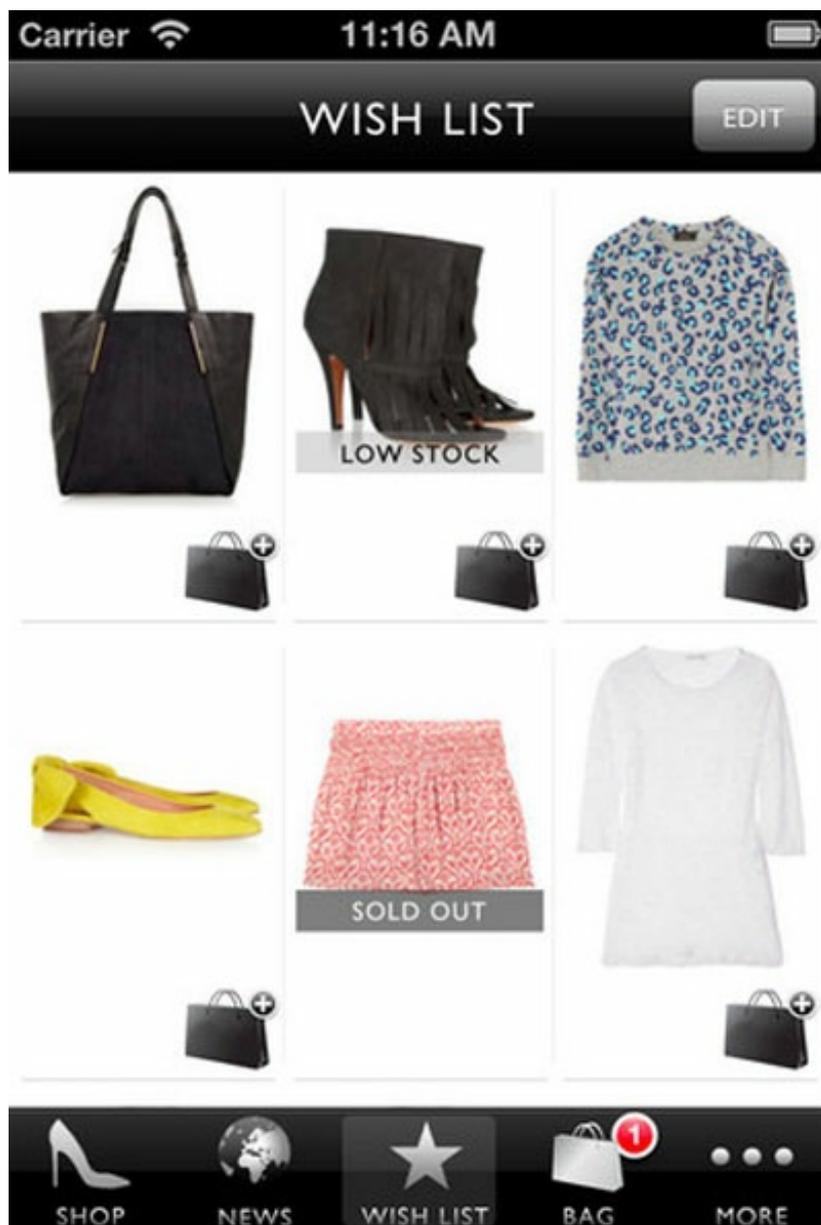
“Almost 1 in 3 retailers sees 10 percent or more revenue via mobile devices,” she said. “To already be at this level is impressive and that unlike social it’s delivering to the bottom line.”

## Mobile investment

Key findings from the e-tailing group's 12th Annual Merchant Survey Report include 72 percent of retailers said they are currently selling through the mobile channel, while 76 percent of retailers say mobile initiatives are key for reaching their strategic goals in 2013, up from 63 percent last year.

The planned level of investment in mobile for this year is varied, with just under half of respondents planning to spend under \$50K while 20 percent plan to spend up to \$100K, 17 percent between \$101K and \$200K, 6 percent up to \$500K and 9 percent more than \$500K.

Only 58 percent of retailers plan to increase their marketing investment in mobile this year compared with 79 percent who plan to do so for SEO/natural search, 73 percent for email and 69 percent for paid search.



### *Net-A-Porter app*

However, mobile is expected to be one of the biggest drivers of revenue increases this year, with 84 percent saying they expect mobile will generate an increase in revenue this year, second only to SEO, which was named by 85 percent of respondents. In

comparison, 81 percent expect email to drive revenue increases, 70 percent paid search and 49 percent social media.

### Merchandising tactics

One of the key takeaways from the report is that retailers need to elevate the customer experience in order to differentiate themselves and survive in the Amazon era. Mobile can play an important role in making this happen by enabling retailers to deliver more personalized experiences.

However, only 5 percent are leveraging mobile ads to engage mobile users with personalized product recommendations. In comparison, 45 percent use retargeting display ads to deliver personalized product recommendations.

By mobile tactic, 79 percent of retailers offer a mobile site, 65 percent a mobile optimized site, 56 percent use 2D bar codes, 23 percent have a iPhone native app, 22 percent use SMS, 18 percent have an iPad app, 18 percent have an Android native app and 14 percent have other tablet programs.

In terms of which merchandising tactics are important, 88 percent put mobile commerce in the top three, up from 85 percent last year, 70 percent said mobile applications are important, up from 68 percent last year and 66 percent said Twitter marketing is important, up from 60 percent last year.

One of the biggest gainers was limited-hour promotions, which 70 percent named as important, up from 52 percent a year ago.

The results also point to ongoing issues with leveraging data across channels to gain a better understanding of customers with only 25 percent of respondents saying they have a 360-degree view of the customer.

### Tablet conversions

In terms of which issues retailers will devote the most time to in 2013, mobile and customer experience are tied at the top of the list with 11 percent.

The results also show that tablet conversion is more than the Web site for in one in four retailers, conveying its important role for retailers.

Delivering a seamless shopping experience across channels is key for retailers with 25 percent saying they already have this in place, up from 15 percent a year ago. However, another 23 percent say they are not planning for this strategy right now.

“The focus likely will be investing more dollars but understanding how retailers can best leverage responsive design to embrace all of the devices consumers are using,” Ms. Freedman said. “A focus on tablets due to its ability to convert is also something that should be on every retailer’s radar screen.”

### Final Take

*Chantal Tode is associate editor on Mobile Commerce Daily, New York*

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