

RESEARCH

## Use mobile to lure customers to stores, keep them there: Google

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By CHANTAL TODE

With smartphone owners using their device both before and during physical retail shopping trips, mobile can be used to get customers to the store and help keep them there, according to a new report from Google.



Key findings from the report, "How In-Store Shoppers Are Using Mobile Devices" include that 8 in 10 smartphone owners use mobile in-store to help with shopping. Additionally, frequent mobile shoppers spend 25 percent more in-store than people who only occasionally use a mobile phone when they are shopping.

"One of the key things that we found is that in-store mobile phone use is generally quite good for businesses," said Adam Grunewald, product marketing manager at Google, Mountain View, CA.

"While a lot of businesses feared that smartphones and showrooming were detracting from their sales, we found that people that use mobile more to help with shopping actually spend more in a store," he said. "This shows us that businesses that have smart strategies to cater to this behavior will likely see great results.

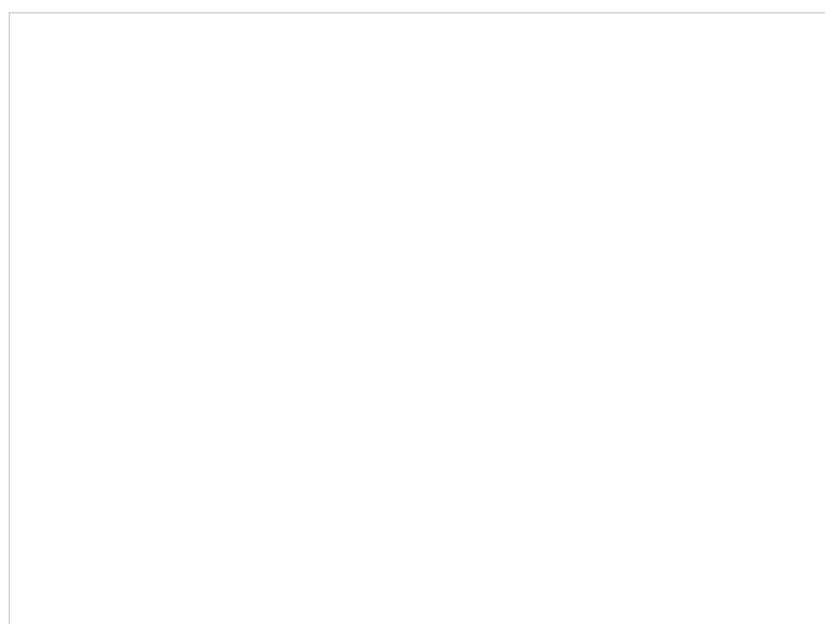
"We were also surprised to see how truly pervasive this behavior is. It's not situational, it's

not category specific, and it's not temporary. Mobile is really transforming the retail experience for everyone, and there are a lot of opportunities for businesses.”

### Addressing showrooming

The report takes a look at the role of mobile in the shopping experience and the opportunities mobile presents. It is based on a survey of 1,507 smartphone owners and was created in conjunction with MARC Research and The Google Shopper Marketing Agency Council, which includes executives from Draftfcb, The Marketing Arm, Booz Digital, TraceyLocke and OgilvyAction.

To use mobile to get customers to retail stores and keep them there, retailers should ensure customers can find their business on mobile, make it easy for shoppers to find product information when in-store and to take in account factors such as location, time of day and device to reach users with more relevant messages.



The report also recommends that retailers address the showrooming challenge head-on by embracing mobile use in-store with a wide inventory of ecommerce products, store maps and QR codes. Additionally, retailers should improve the in-store experience with expert service from store associates and interactive demonstrations and have a strategy to address price comparisons such as a price-match guarantee.

Findings include that 79 percent of smartphone owners are smartphone shoppers, with 62 percent using a smartphone to assist with shopping at least once a month and 17 percent using mobile to assist in shopping at least once a week. Frequent smartphone shoppers said they use mobile to make everyday tasks easier, to research products and to look for new mobile apps.

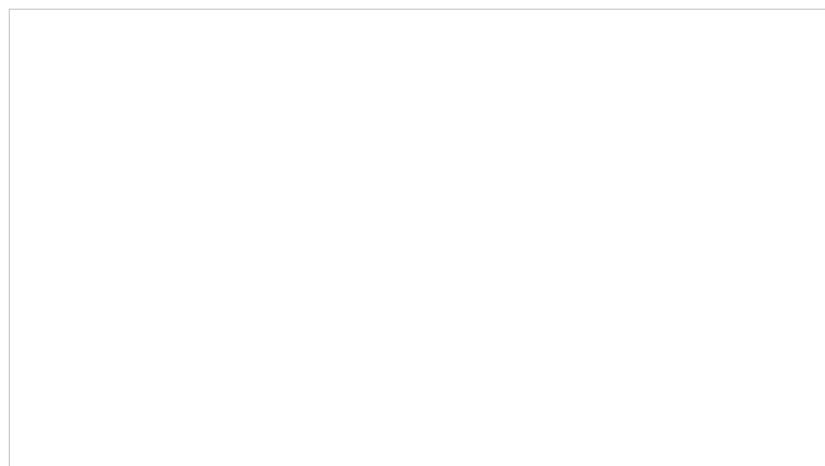
Among smartphone shoppers, 84 percent use smartphones to help shop while in a store across a broad array of categories. Almost half use mobile for 15 minutes or more per store visit.

### Time-saving opportunities

Additionally, 53 percent use their device in-store to make price comparisons, 39 percent

to find promotional offers, 36 percent to find location/directions and 35 percent to find hours. In-store price comparisons are the most common shopping activity across all categories.

“We were surprised to see that smartphone use in store is not just about saving money,” Mr. Grunewald said. “People are looking also for time-saving opportunities.



“The ability to quickly find inventory, store locations, or see which store has the best price without having to visit them all is incredibly valuable,” he said.

“Businesses are having a lot of success with websites and apps that make the retail experience more interactive, more enjoyable, and easier. More and more, winning the key decision moments at the physical shelves means owning the digital shelves too.”

Search engines are the top resource used by smartphone shoppers to help research products, used by 82 percent compared with 62 percent who use store Web sites, 50 percent who use brand Web sites, 21 percent who use store apps and 20 percent who use deal Web sites.

The report also found that 65 percent prefer to use mobile sites while shopping in-store while 35 percent prefer apps.

#### Big spenders

Compared to smartphone shoppers, frequent smartphone shoppers spend 50 percent more on health and beauty, 40 percent more on appliances, 34 percent more on electronics and 25 percent more on household care.

Additionally, one in three shoppers uses their smartphones to find information instead of asking for help from a store employee. The trend toward self-help is more pronounced in some categories with 55 percent saying they do so when shopping for appliances, 48 percent for electronics, 40 percent for baby care and 39 percent for household care.

The report also found that 90 percent of smartphone shoppers use their phones for pre-shopping activities, with 58 percent finding a store's location or directions to get there, 57 percent looking for store hours, 44 percent making price comparisons, 44 percent finding promo offers, 43 percent browsing, 32 percent looking for where specific products are sold, 31 percent finding product information, 31 percent finding product availability in-

store, 30 percent finding product reviews and 19 percent using their phones to make a purchase.

“I think that the clear implication for businesses is that they need to address in-store smartphone use head on,” Mr. Grunewald said. “While a lot of businesses fear that they are losing share to digital, smart businesses are investing that energy into adapting their marketing and retail strategy to leverage the capabilities of mobile.

“It’s no longer enough to just have people on the marketing or advertising or Web team think about mobile,” he said. “Instead it’s clear that this change in consumer behavior is affecting every aspect of business, in both the digital and traditional space, and businesses need to ensure that mobile is an integrated part of their strategy at all levels.”

Final Take

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

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