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MOBILE AND HOLIDAY SHOPPING: THE 4 THINGS YOU NEED TO KNOW

The holidays have arrived! Hot on the heels of Halloween, holiday decorations already adorn our streets, shopping centers and screens. Every year it feels like the holidays start earlier than they did the year before. Nowadays, retailers tend to launch holiday packages as early as October, with shoppers ready to buy. As of mid-September 2016, nearly half of parentsⁱ said they'd already started their holiday shopping. Whether consumers are looking for gift ideas for their loved ones or checking in-store item availability, 78% of them will be using their mobile devices. Here's more about how consumers will be using their devices this year, the top mobile shopping trends every marketer needs to know and our advice on how drive business through mobile this holiday season.

HOLIDAYS ARE BIG BUSINESS FOR MARKETERS

The holiday season is big business for nearly every industry from retail to travel, and marketing is no exception. According to a Deloitte France studyⁱⁱ consumers are taking the holidays more seriously with every passing year. Indeed, in 2015, consumers dedicated nearly €580 to holiday spending (a 0.23% increase from 2014) with a heavy emphasis on gifts: They spent €350 on average on gifts and spent nearly €230 on food and entertainment.

Consumers also plan increasingly in advance, with 36% purchasing gifts in November and 31% finishing their holiday shopping between the 1st and 15th of December. The most noticeable trend is that consumers are always connected, and increasingly relying on e-commerce for their holiday needs: 48% of British consumers will buy gifts online, compared to 46% in Germany, 32% in France. In the US, this trend is even stronger, with 66% of Americans intending to shop digitally on Black Friday this yearⁱⁱⁱ.

It's key to keep these figures in mind because they not only inform consumers' enthusiasm for the holidays, they also show that while in-store shopping is still very popular, e-commerce is asserting its role as well. This is particularly important for mobile marketers as it creates many new opportunities for brands to create touchpoints and add lifetime value for their consumers.

1. SHOPPING WILL HAPPEN EVERYWHERE

Not so long ago, shoppers used to get inspired and look for gift ideas online using their desktop computer, reading through catalogs or by coming in direct contact with products walking through store aisles. Following this initial scouting and research process, shoppers would ask an in-store salesperson for more information, and then either purchase the item on the spot or head home to buy it online. The buying process was linearly defined and involved a limited amount of channels which never intersected.

With the advent of mobile, around 60% of shoppers have become increasingly omni-channel. Nowadays, consumers begin their product research on their mobile devices^{iv}, and around 82% of smartphone users do so before making an in-store purchase. Consumers will often begin a product search on mobile and conclude their purchase at home on their desktop, using 3.9 devices on average in order to complete a single transaction. Consumers are spending more during the holidays with each passing year and are more nomadic than ever. They will increasingly rely on their mobile devices for shopping, representing a huge opportunity for brands and marketers.



OUR ADVICE TO MARKETERS

Get to know your customers. The real challenge here is to get consumers' attention and be present wherever and whenever they are shopping. This implies identifying users across their devices. Today, shoppers have very high expectations, amplified during the holiday season. Mistakes are not allowed. The brands that will win this holiday season are those that will recognize customers across devices and offer personalized and consistent shopping experiences. The key to success is to leverage first-party customer data to know customers as well as, if not better, than the competition.

2. PICTURES ARE THE NEW INSPIRATION

Brands have finally caught onto the picture marketing trend and have integrated quality visuals as part of their overall strategies. Today their social media feeds largely feature only high-quality and appealing pictures, responding to the consumer craze around social media. According to Digital Marketing Depot, consumers now use social media to start conversations with brands, with 69% of respondents having used social media to interact with a business in the past year. This means that a brand’s social media presence heavily impacts consumer decisions. In the same survey, 55% of respondents said a brand’s social media presence has at least some influence on their decision-making process when deciding where to buy during the holiday season. Additionally, holiday shoppers love local on social, with 72% of respondents stating they prefer to see ads from local businesses, rather than national retailers, on social media during the holidays.

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Keep social in mind. Social media is mobile by nature and has become a crucial element of any successful campaign, especially during the holidays when consumers shop more than usual. Social channels such as Instagram now allow users to directly make purchases by clicking on a featured picture in an ad. Given the fact 39% of consumers are most interested in seeing Instagram content that promotes deals and events during the holiday season, we expect many consumers to follow through on promotions advertised on social media this holiday season.



3. MOBILE CHECKOUTS NEED IMPROVEMENT

Today's consumers want to get their shopping done quickly. Checking out once they have filled their cart is of particular concern; 63% of consumers list it as the top priority in 2015 according to the National Retail Federation. And over 2 out of 3 online shoppers abandon their shopping carts. Mobile shopping cart abandonment is an even greater challenge, with mobile conversion rates about 70 percent lower than desktop on average^v. This means that if a consumer finds a product they wish to purchase but are directed to a painfully long form to fill out, they will be lost to that online retailer. Instead, they will seek to purchase the contents of their cart elsewhere, perhaps even from a competitor, provided that their path to purchase is simpler and quicker.

The mobile checkout process offers countless opportunities for driving higher mobile conversions, yet it remains one of the most challenging aspects of converting mobile shoppers. Mobile purchase completion will not overtake desktop this holiday season, but there are many UX best practices retailers can follow in order to curb mobile shopping cart abandonment and increase mobile checkout conversions.

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Make consumers' lives easier. Your customers don't have any time to lose when they're shopping for multiple people at once. Some key UX components to make their lives easier are: auto detection of credit card based on card number on file, autofill capabilities offered by most mobile browsers, only displaying mandatory fields in forms, letting customers know their purchase will only take a few seconds and clearly displaying their progress during checkout.

4. ENRICHED IN-STORE EXPERIENCES

While online purchases are growing, most sales still take place in physical retail points. Smartphones create many good opportunities to connect with in-store consumers and blur the lines between physical and digital shopping. Indeed, even if consumers choose to finalize a purchase in-store, they still use their smartphone to accomplish a variety of tasks during their visits. Consumers are keen on getting as much detail about the product they're purchasing as they can prior to spending their money. Many will also compare in-store prices with online listings. This is the most common shopping activity across all categories, with 59% of consumers having comparison shopped in-store using their mobile device.



OUR ADVICE TO MARKETERS

Create memorable offline-to-online experiences. In-store interactions are great opportunities for brands to provide direct communication to consumers. Using devices such as beacons or location ID, brands can engage in personalized communications such as greeting customers when they arrive in-store, customizing each message based on how often consumers visit, provide exclusive in-store offers or coupons to customers right before they check out, reward in-store behavior by providing loyalty points upon walk-in and offer convenient contactless payments and self-checkout.

WHAT IT ALL MEANS

The holiday season is full of opportunities for both brands and marketers worldwide to reach consumers. According to PwC, holiday budgets are bigger than ever, with US shoppers planning to spend \$1,121 on average this year, a 10% increase from 2015^{vi}. In order to capitalize on this planned spending, brands and marketers need to leverage mobile's unique capabilities in order to get to know their consumers better and make their lives easier. Mobile's ubiquity offers a multitude of pathways to success, ranging from in-store experiences to shareable moments on mobile-first social platforms. Find the mix that's right for your industry to conquer this holiday season!

ⁱ <http://time.com/money/4493315/christmas-creep-holiday-shopping-2016/>

ⁱⁱ <https://www2.deloitte.com/fr/fr/pages/consumer-business/articles/etude-de-noel-2015.html>

ⁱⁱⁱ eMarketer, November 2016

^{iv} <https://www.thinkwithgoogle.com/articles/holiday-shopping-trends.html>

^v <http://baymard.com/lists/cart-abandonment-rate>

^{vi} <http://www.pwc.com/us/en/press-releases/2016/pwc-holiday-shopping-outlook-press-release.html>