

# Internet Retailing



## MOBILE AND THE DIGITAL INVESTMENT IMPERATIVE

Why mobile trumps other 2017 digital investments





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## INTRODUCTION

**Ecommerce today is channel agnostic and retailers with money to invest have a broad spectrum of digital technologies that all seem to be a priority – so which should be the top of that list and why?**

Shopping has radically changed in the past five years. Consumers will pick up a phone, go on a desktop, visit a mall, or seek out an independent shop based on word of mouth, shop offers and ideas from their social media feed and even buy things direct from the TV. What is crucial to understand is that none of these many and varied channels exists in isolation, nor is any one channel more 'important' than any of the others. The key thing is that they are all vital and they all work together.

This changes how retailers should think about technology and how they select the technology that they invest in. Which technologies are going to deliver the best ROI per pound invested – and which can do that rapidly enough before the technology world moves on again?

The answer is mobile. Not only do mobile-only business cases have their own merit, but there is also a wide acceptance for using mobile as the 'enabling glue' between projects, strands and channels – solving myriad problems rapidly and delivering additional ROI.

It is also where consumers increasingly shop. Smartphone use is growing every month worldwide; the balance of shopping power between online and mobile has, in many developed markets such as the UK, tipped past 50% in mobile's favour; mobile is an intrinsic part of all shopping journeys regardless for where the actual payment takes place; and last – though perhaps most importantly – for most consumers a retailer's mobile presence has to just be there whenever they want to use it.

In this white paper we make the case that a mobile investment will give you the highest return – as this investment will filter into all other aspects of your business and generate increased revenue, retention and loyalty, as well as enable you to keep pace with your competition.

## ABOUT THE AUTHOR

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# Sponsor's Introduction



As retail executives begin planning their budget for the new year, they are prioritizing those investments that will improve the customer experience and boost revenue – so mobile is moving to the top of the list.

The challenge is that mobile complexity is growing exponentially. While mobile opens up a world of possibilities for consumers, it also fractures customer behaviour into hundreds of intent-driven mobile moments, making it difficult for retailers to create sustained mobile customer engagement.

On top of this, tech giants drive a rapid pace of change that retailers can't keep up with. The high bar set by leaders like Apple, Facebook, and Amazon make it almost impossible for retailers to meet evolving customer expectations.

The Mobify™ Platform is a simplified all-in-one, mobile customer engagement platform that delivers mobile web, native apps, push notifications, and store drivers. It empowers retailers and brands to boost revenue, keep up with customer expectations, and protect their competitive edge using a technology strategy called Progressive Mobile, built around the need for Engagement Marketing to customers.

Progressive Mobile delivers a unified customer experience across mobile web and apps, while Engagement Marketing builds customer relationships through push notifications and store drivers.

## About Mobify

Mobify helps global retailers and brands build strong, loyal customer relationships. The Mobify™ Platform, a mobile customer engagement solution, is used by global retailers and Fortune 500 brands to drive hundreds of millions of dollars in revenue every year. Ranked by leading industry analysts as a leader in mobile commerce and engagement, Mobify keeps retailers ahead of the curve by meeting customer expectations for exceptional mobile experiences.

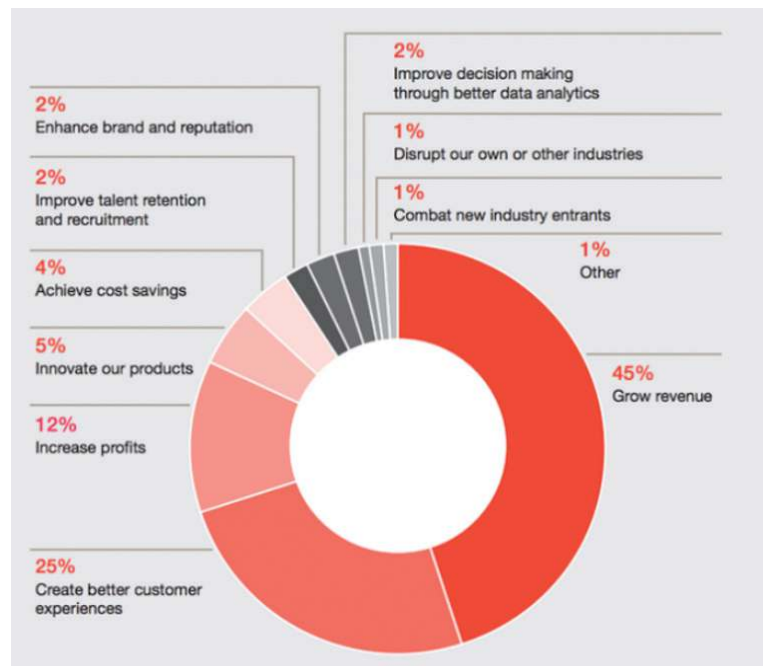
Established in 2007, Mobify is headquartered in Vancouver, BC, with offices in Chicago, USA and Reading, UK. Clients include Lancome, Burlington, Dollar Tree, Matalan, BT, Crocs, Carnival Cruises, Bosch, Superdry, Eddie Bauer and Tommy Bahama. [www.mobify.com](http://www.mobify.com)



# Digital Investment Priorities 2017

Retailers need to grow revenues, market share and brand awareness: and technology holds the key to delivering all of these – especially against the backdrop of rapidly evolving consumer habits. So what are the options?

**T**he imperative to generate increased revenues, market share and brand awareness places many demands on retailers' digital technology budgets. In fact PricewaterhouseCooper's breakdown of CEO investment priorities for 2016 shows that 45% of your competitors are looking to grow revenues through digital investment and 25% are looking to create better customer experiences. 12% want to grow profits. The remaining 18% are split among a range of other technology and skills investments as shown in the chart below.



Source: PwC Global Digital IQ Survey

There are many digital technologies that can help deliver these key retail business objectives. We've reviewed the investment priorities of senior retailers in the InternetRetailing Top500 Case Study bank, surveys and interviews and the main candidates for technology and system investment in 2017 are set out overleaf. Here we note the attraction or necessity of the investment, along with the identified challenges to successful implementation or prioritisation.

“ Mobile technology and services can be integrated into most existing platforms to offer a quick way to meet these changing demands of consumers ”

Here are some of your options:

- **Digital store operations technologies** – Instore digital technologies that help run real world stores more efficiently can be used to improve operations, as well as improve understanding of customers and lead to developing better products and better customer experiences in store. They can also drive talent recruitment and retention.

However, while these are all interesting drivers of both revenue and customer experience, they are limited to the in store dimension and don't necessarily feed back into any online and/or mobile touchpoints a retailer has.

Mobile technology is already starting to be used by some retailers as a way of enhancing the instore experience – offering everything from better customer service to wifi that allows users to use their own devices in store to enhance their experience.

- **Marketing and advertising technology** – The increase in digital touchpoints and digital channels to reach consumers meets the key objectives of enhancing brand reputation, better decision making through data analytics, growing revenue and improving customer experience.

However they are only part of the story and don't allow for the fact that marketing, no matter how personalised, doesn't necessarily deliver on its own and nor does this allow for consumers to find you if you don't already know them.

Mobile can also engage consumers on a more personalised level as they have the device with them at all times and there is a growing use of SMS, push notifications and email to mobile to extend marketing into this mobile domain.

- **Replatforming/upgrading ecommerce systems** – Consumer's digital habits change so rapidly that it is often hard to respond at the same pace. This can lead to frustration with existing e-commerce platforms and drive a desire to replatform or substantially upgrade existing technologies.

This can yield a better customer experience through better online properties and a more joined up cross and omni-channel offering – and all that could deliver increased profits.

However this is a very expensive, resource-heavy undertaking and needs a very long time-frame: a time-frame so long that once implementation is finished, the technology adoption cycle among consumers will have moved on again.

Mobile technology and services can be integrated into most existing platforms to offer a quick way to meet these changing demands of consumers.

- **Data mining and analysis** – All the data derived from the growing number of digital consumer touchpoints offers retailers a treasure trove of information about what they are doing. This can help with improved decision making and can deliver a better customer experience.

However, on its own, investment in data mining and analytics is an expensive pursuit and value only lies in what the data reveals if you can actively put it to use – which often means changing business processes, rethinking marketing and perhaps even considering replatforming.

Here mobile offers a means to collect data – be it location, movement, engagement and browsing – to gain a better insight into how consumers behave. And this data can be readily fed into existing data analysis solutions to enhance your view of the customer.

“While it is useful to experiment with technology and you have to try new things to see what works, these investments should be a small, ring-fenced part of the budget, not the centrepiece of your investment strategy”

• **Enterprise and inventory management systems** – While such systems that run your company are vital, investing in upgrading or replacing them is expensive, time-consuming to implement and again runs the risk of coming on stream when the consumer technology adoption cycle has moved.

Mobile technology can play a role in helping enhance existing data understanding across the business as mobile devices and technology can be used by employees to gather data and track how the business runs in near real time.

• **Point of Sale (POS) upgrades** – In the increasingly digital retail environment, upgrading point of sale to not only accommodate new technology such as contactless payments or to make the POS mobile around the store is very tempting. It can lead to a better customer experience and grow profits, but it is a slow, intricate and costly process with a long ROI. It is also of limited impact across the business, unless it forms part of a wider upgrade of inventory and enterprise management and in-store tech revamps.

Mobile, as we’ve seen, has a role to play in in-store use by staff to make them better informed and better able to help customers. They can also use these devices to take payments and operate as mobile POS. This can be done as an addendum to most POS systems in use today.

• **Experimentation and ‘Shiny new object syndrome’** – As new innovations are constantly surfacing retailers need to distinguish between a real business opportunity and a passing fad. Each time something new grabs the headlines – such as say this summer’s penchant for Pokemon Go – it is tempting to embrace it and turn your strategy on its head and invest in things like gamification, AR and VR technologies.

While it is useful to experiment with technology and you have to try new things to see what works – you may just hit on the find of the decade for your business – these investments should be a small, ring-fenced part of the budget, not the centrepiece of your investment strategy.

Mobile is able to offer a way for retailers to let consumers try things such as AR and VR in their stores as part of marketing campaigns and as a wider move to enhance the customer experience in store and across the web. Rather than investing in new unproven technology, mobile can offer a means to let retailers and consumers try new ways of doing things.

• **Mobile customer engagement** – With so many CEOs looking to invest their 2017 digital budgets into technology that delivers revenue, better customer experience and rapid ROI, mobile is likely to be high on everyone’s list. It offers all of those things, as well as delivering many of the benefits also listed above across all the other potential investment options.

There are a tempting range of valid digital investments that can be made, but mobile offers a clear advantage in each of them and, as we shall show in this white paper, can be implemented rapidly and cost effectively to deliver the benefits retailers need on an ROI that is relatively rapid.

# Boosting Revenue

One of the key drivers of digital investment is boosting revenue and securing a speedy ROI. So how does mobile shape up as a means of meeting these two exacting demands?



Digital technology disrupts the traditional purchase funnel, cutting out steps and circumventing others.



Source: Mobify

“While customers are approaching the purchase funnel very differently, they also expect a seamlessly integrated experience across channels while they shop”

Whether it's the social media and product reviews right in the palm of the customer's hand during the consideration stage, or using Apple Pay to seamlessly complete the purchase stage, mobile plays a vital role throughout the entire marketing funnel.

Research by Mobify has shown that mobile disrupts the above purchase flow allowing customers to:

- **Skip stages of the journey** – Many shoppers are now moving through the purchase funnel in one or two steps on mobile, making the shopping journey much shorter. In fact, 16% of shoppers now complete the journey on mobile in essentially one step.
- **Enter mid-funnel** – the rise of social media and email marketing on mobile is seeing more consumers entering 'mid funnel' at the consideration and intent stages. Research shows a 29% increase in mobile purchase due to social media.
- **Complete stages out of order** – a quarter of shoppers are now moving through the purchase funnel out of the order traditionally understood by retailers thanks to mobile. Research shows that 25% of them are coming in via unbranded keyword search or from social media and then moving backwards through the funnel before moving towards purchase.

As a result of this changing consumer behaviour, retailers can no longer predict what shoppers are likely to do, making it harder to attribute revenue to particular channels in the traditional sense.

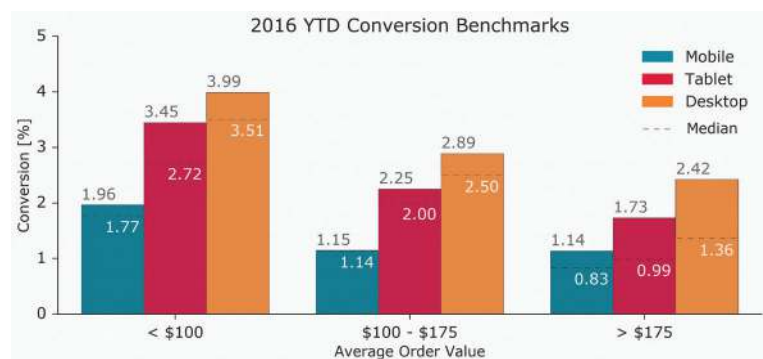
There is the added issue that, while customers are approaching the purchase funnel very differently, they also expect a seamlessly integrated experience across channels while they shop.

## HOW MOBILE INCREASES REVENUE

Each retailer will be different, but each will derive value in terms of driving sales through any channel off the back of some form of mobile interaction.

The key ways that mobile can deliver value are:

- **Increased conversions** – With more shoppers using mobile to enter the purchase funnel at different points, having a slick, modern and effective mobile presence, which delivers fast page speeds, optimised user experience, shorter checkout flows and new payment options such as Apple Pay is going to increase conversion. With mobile forming a crucial part of most purchase journeys – even if it isn't always the point of purchase – such a mobile experience will naturally drive increased conversions.



Source: Mobify

- **New customers** – With shoppers increasingly searching on mobile while at rest, commuting or on a whim – and with Google prioritising mobile-optimised sites and apps – if your mobile offering is effective and optimal then new customers are going to come your way simply because they can find you.

- **Increased customer value** – As with new customers, mobile gives you many more opportunities to drive conversion as it plays into more stages of the purchase funnel. A good mobile experience is more likely to see those new customers return again and spend again. A simple and effective experience on mobile – and across channels – will also lead to increased spending and order value from loyal, return customers.

## PERSONALISATION AND USER EXPERIENCE

Mobile engagement can offer a heightened level of personalisation, because it takes place on such a personal device. The key to revenue generation here is offering personalised and tailored experiences to customers so that they are being spoken to on a one-to-one basis.

The fact that they are on a mobile means that you should be offering them a reduced inventory as the screen is small and real estate is precious. This is an advantage as you can willingly filter down to what they actually want to see. The more you can base this on their behaviour and everything else you know about them the better.

ShopDirect has invested significantly to combine big data with cutting edge technology, in an approach that is evidence-led. It takes qualitative and quantitative data and uses it to help us better understand its customers and what they want.

“Our user experience research overwhelmingly shows us that our customer wants a tailored online shopping experience,” says Jonathan Wall, group ecommerce director at ShopDirect. “That’s why we’re passionate about personalisation – it’s one of our core focuses. Our customers want the products and messages that aren’t relevant for them to be removed, and



those that are right for them to be placed front and centre. We want to tailor everything – from the shop they visit to how we engage with them before, during and after they’ve shopped.”

### IN-STORE MOBILE

Today’s shoppers are channel agnostic – they want the same deals from the same company, regardless of the channel it is on. They now have an unprecedented ability to check offers and compare prices on the same or similar products – even when standing right there in the store.

According to research by RetailMeNot, operator of VoucherCodes.co.uk, 96% of retailers recognise this as a fundamental problem that must be addressed, while a third admit to not having a strategy in place to resolve this issue.

Mobile can also help to drive sales in-store by making specific offers available and by promoting services such as Click and Collect. Nine in 10 consumers admit to embracing this technology and ‘show-rooming’ in order to locate the best deals and discover more information, demonstrating how ready UK shoppers are to integrate technology into the shopping cycle.

When asked what would have the biggest impact on their shopping experience, British consumers suggested the ability to check stock availability online as the most important (42%). Shoppers also highlighted the possibility to order out-of-stock items in-store (39%) whilst a third (31%) expect to find Click and Collect services.

There are three things you can do to use mobile to drive in-store.

- **Create an in-store lifestyle experience** – To develop brand affinity, build customer loyalty and drive sales, retailers need to accurately determine and understand what their strengths and opportunities are. Doing this will help create unique, customer-centric in-store experiences where strong brand value propositions are brought to life.

Warby Parker, for example, is an eyewear retailer, but in looking at its SoHo store, you’d think it was a library. Shelves are stacked with carefully curated literature, while comfortable chairs invite passers-by to take a load off and read. And what do patrons often need in order to indulge in that cozy experience? Glasses.

- **Use apps and mobile web to drive mobile users to offline purchases** – In 2015, mobile devices influenced more than \$1 trillion of in-store sales and apps and mobile web are at the vanguard of making this happen. For instance, location-aware features display the nearest store, provide assurance that products of interest will be in-stock, and promote local store information and offers – all of which turns mobile browsing into in-store conversions.

Sephora, for example, recently launched an app called Pocket Contour, which guides a user through the process of digitally applying makeup to her own selfie. Once she finds the perfect look, the app guides her to products at Sephora that will allow her to recreate it in real life.

- **Focus on location** – Context is important when communicating with customers; their objectives in doing an online search while in the store are different than when they’re at home. Putting customers first by using technology to determine where they’re searching from is a critical element of digital marketing campaigns.

Sephora, again, illustrates this concept well. Much of its growth is attributed to the use of mobile technology. Customers can now opt in to beacons throughout the store that deliver deals, promotions and even birthday benefits via the Sephora to Go app.

“Nine in 10 consumers admit to embracing this technology and ‘show-rooming’ in order to locate the best deals and discover more information, demonstrating how ready UK shoppers are to integrate technology into the shopping cycle”

During the beacon trial run in San Francisco, 80% of Sephora shoppers opted in. Moreover, Swirl — a popular beacon platform — found that 73% of shoppers who receive a beacon-triggered message are likely to act upon it. Integrating similar technology into their digital marketing campaigns could be the missing piece for struggling retailers.

### MOBILE ENGAGEMENT

Mobile increasingly proves to offer a great personalised way to reach out to consumers through email, push notifications and chatbots.

- **Email** – Today, people read email primarily on mobile devices and process it much faster than on a desktop. Typically email received on mobile is opened by 88% of users and this makes relevancy and context key. Sending discounts via email increases the likelihood that messages will be opened and read, which establishes a dialogue with customers.

Ensure a coupon is used by incorporating clear calls to action in the email, such as a “Find a Store” hyperlink. Savvy marketers also include dynamic locations that show the closest stores based on where the email is read.

- **App and web push notifications** – Mobile web and native apps take mobile communications further by allowing consumers to receive push notifications. Personalising these engagements with location context, wish-list items, inventory details or past purchases, makes push notifications more compelling than broad messaging.

For iOS and Android apps, push notifications drive re-engagement and critical points in the customer journey. On Chrome for Android – and desktop – web push notifications are a new engagement channel that drives revenue through web browsers.

- **Bot communication** – Mobile messaging apps such as Facebook Messenger and Kik offer brands an opportunity to create bots within their platforms, providing another way for retailers to interact with customers in a personal way via social media.

Sephora has already created a chatbot on Kik that introduces itself and explains its capabilities, which include providing reviews and tips, similar to an integrated blog on an e-commerce site. The company personalizes this experience by quizzing users about their interests. Based on the results, it presents personalized content. Sephora’s chatbot is a great example for retailers looking to utilize bot technology to increase customer engagement.

# Meeting Customer Expectations

As digital systems have become more intuitive, customer expectations have also evolved. As some brands have managed to produce experiences that are near perfect, the onus is on all retailers to do the same. The consumer expects it, so how do you deliver?



A global study of 4500 consumers in 11 countries by Vansome Bourne found that if a shopper doesn't immediately like the consumer experience with a mobile service as many as a third won't purchase from there again. Alternatively, when a good mobile experience is achieved, 76% report that it has an influence on their loyalty to a brand.

But how can you meet their increasing expectations for a good experience?

## EASE OF USE

A key to success with mobile user experience is making it easy to use and to offer as much 'self management' as possible. The design of smartphones has embraced simplicity – most have just one or two buttons, the rest is done intuitively with the screen – and your mobile property needs to match this. This comes down to design, but it also comes down to thinking like a consumer. Amazon is one of the pioneers of online commerce and unsurprisingly it has got its mobile site to near perfection.

While Amazon's design of its web and app properties is very clear and relies on excellent native search, it also offers a simple experience on mobile and offers easy to use tools to manage what you are doing.

Airlines similarly have embraced the self-management concept with the ability to easily amend flight details and, with the likes of BA.com, complete the entire journey through the airport from car park to seat using the app.

## BUILT FOR SPEED

Load speed of website and speed of check out are also both crucial to conversion. For every 100ms decrease in homepage load speed, Mobify's customer base saw a 1.11% lift in session based conversion. For every 100ms decrease in checkout page load speed, Mobify's customers saw a 1.55% lift in session based conversion.

Shoppers browse more on faster mobile websites. An increase of one page view per user results in a 5.17% lift in user based conversion, so for each additional page viewed per user, Mobify saw their average customer's annual revenue increase by: \$398,484.

When looking at all the above design attributes, you have to make sure that while it is built for ease of use, looks slick and offers all the intuitive functionality, it needs to load rapidly.

## LOCATION

The arrival of Internet and mobile technology should allow consumer behaviour to transcend physical location, but the Internet – and internet use by consumers – is still shaped by the physical world.

Factors such as nearby stores, local sales taxes and even influential friends affect online purchases. Even though consumers' friends aren't with them when they shop, consumers still behave as if their friends – and co-shoppers – are going to judge their choices and purchases.

Using location is more than just collecting information on where consumers live and how they behave: brands can use these techniques to drive leads and sales and to promote brand loyalty.

*“ The arrival of Internet and mobile technology should allow consumer behaviour to transcend physical location, but the Internet – and internet use by consumers – is still shaped by the physical world ”*

There are three simple techniques that can be used to leverage location:

- **Weather-based content triggers** – weather has a big impact on sales in a local area. The beer company Molson experimented with weather-specific ads and found that their engagement was higher — and the cost-per-click rate 67% lower — than for generic ads.

Likewise, allergy sufferers who sign up for emails from Claritin also receive daily forecasts on their areas' pollen levels and other information about potential triggers and symptoms. Claritin also has the highest brand loyalty of any allergy medication.

- **Location as demographics** – smartphones have added to the challenge of understanding who the “average” consumer is, but location history can be used to target more specific audiences. While location-based targeting has overtaken real-time location targeting, the two can also be combined to create a more personalized campaign.

- **Proximity-based calls to action** – 72% of consumers say they respond to calls to action they receive if they are near the retailer's location. For example, Elle magazine has used beacon technology to give alerts to customers on the basis of their locations. Consumers receive alerts from Elle that endorse something in a store near them, and they can then go to that store to receive an offer.

It's important to note that these methods, while effective, might not lead to immediate sales. They are a response to a fundamental change in customer expectations. “Immediate conversion” may not even be realistic because there is no longer a clearly defined shopping stage. Marketers should instead worry more about a customer's lifetime value, especially in a mobile world.

## PROGRESSIVE MOBILE

Progressive Mobile is an approach that unites web and app experiences to create seamless engagement across mobile screens and encompasses Progressive Mobile Web and Progressive Mobile Apps.

For example, PureFormulas (*see page 14*), a leader in the online health supplement market, implemented Mobify's Progressive Mobile to create a high-performing mobile web experience that engages customers and boosts revenue. The app-like speed of Progressive Mobile results in a two to four times faster website.

To showcase the Progressive Mobile difference, Mobify ran a split A/B test comparing the new website against PureFormula's old mobile website. After just two months, revenue per visit was 23% higher on the Progressive Mobile website. The increase in revenue is from both an increase in conversions and average order value (AOV).

Conversion rate is up 14% and AOV is up 9%. The additional AOV stems from cross-sells, with items per order up 13% and items per user up 24%. With the Mobify Platform, brands like PureFormulas gain the ability to create engaging mobile customer experiences that convert, as well as turn on the latest mobile customer engagement features, all from a unified platform.

## THE ROLE OF APPS

Apps can differentiate the customer experience through sophisticated loyalty programs, gift registries, hardware (trackers, sensors, beacons), and advanced functionality (sizing with the camera, syncing between screens, location relevance).

As the superior performance and user experience previously limited to apps is now available on the web, the use case for retail apps is evolving. In addition to their earlier transaction-focused role, apps are becoming a platform to drive customer loyalty and create richer in-store experiences.

# Protecting your Competitive Edge

If your mobile shopping experience doesn't deliver everything consumers expect, they'll find one that does. But with everyone doing it, how does investing in mobile protect your competitive edge?



Staying relevant in this world of unprecedented disruption is incredibly challenging for businesses of all shapes and sizes, and enterprises need to plan for constant change.

There are four simple steps to deliver what consumers want and maintain a competitive edge in today's mobile world:

- **Adopt a customer-first approach** – Think like a consumer and don't make the mistake of telling people what they want; ask them what they want first.

Banana Republic offers a cautionary example: the company posted sales of \$2.4 billion in 2014 by focusing on its traditional, classic apparel. But when it tried to go fashion-forward the next year, sales fell by 9%— its steepest single-year fall in a decade

Instead of focusing on what its customers wanted, Banana Republic tried to change its identity, and now the company has to earn back its following.

- **Find a platform partner moving at the speed of consumer innovation** – Innovative startups such as Amazon, Uber and Snapchat set the bar for customer expectations. They don't launch new features annually, they update quarterly, monthly, and, in some cases, weekly.

Even the most digitally savvy brands and retailers struggle to keep pace with these mobile-first innovators and the problem lies in traditional enterprise software solutions — their release cycles are just too slow to keep up. Sometimes, you do need to abandon the traditional approach to stay relevant. So look for a partner able to keep up with the level of relevancy consumers demand.

- **Plan for uncertainty** – Agility matters. The moment your company develops a marginal improvement on its existing product, you need to release it. Waiting for a future launch date prevents incremental gains and risks falling further behind. Anyone with even a modicum of digital experience has heard about agile development, but embracing that strategy requires a new mind-set. Forget project kick-offs and product launches. Instead adopt a culture of continuous improvement.

- **Rethink the user interface and experience** – The ways in which people use their mobile devices are constantly changing and one of the largest developments in recent years is the rise of the IoT and chat. Messaging applications now have a collective audience numbering in the billions, and marketers are looking to capitalize on the fact that 79% of users say they are open to interacting with brands on these apps.

Spurred by this trend, retailers must go beyond designing for screen sizes and work to amplify the shopping experience. Early adopters like KitCRM have allowed marketers to use chat interfaces to create marketing campaigns and others have looked to IoT technology to deliver a whole new experience for users.

Babolat now offers a connected tennis racket that allows users to monitor and fine-tune their games. In theory, the rackets can now let players know when they need new ones and how strong their serves are. The racket can even send reminders that tennis balls are getting a little flat and should be replaced. The possibilities are limitless for mobile commerce start-ups to move away from simple optimization and toward offering new and exciting solutions for retailers.

# Case Studies



## UNITED EXTRA ELECTRONICS: GROWS ECOMMERCE SALES BY 100% WITH WEB PUSH NOTIFICATIONS

Saudi Arabia is one of the largest smartphone markets in the world. Serving more than 12 million shoppers at 40+ stores across Saudi Arabia, Oman, and Bahrain, United eXtra Electronics is Saudi Arabia's leading consumer electronics and home appliance retailer.

Each month, United eXtra Electronics sees more than 2.5 million shoppers discovering, researching and purchasing via its eXtra.com website and the company's 100% year-on-year mobile growth has been driven by the growth in mobile web use for shopping.

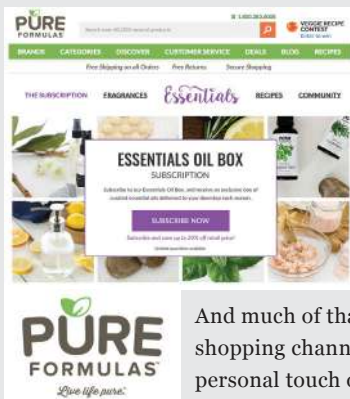
Until 2016, the company mainly used targeted emails to re-engage with this growing cohort of mobile web users, but this required customers to sign up and register in the first place. Re-engaging with these mobile web shoppers became a constant area of focus for the brand as it tried to keep them coming back for more.

eXtra worked with Mobify, its mobile shopping platform partner, to implement Push Notifications for Android web users visiting eXtra's mobile website. These Push Notifications sent via the mobile web look and feel exactly like native app notifications – and work even if the browser isn't currently running on a device.

And the reaction to them was instant. eXtra saw that, within six weeks, those that had opted into receiving Push Notifications were returning four times more often and spending twice as much time on the site.

eXtra's new web Push Notifications provided a 12% click-through rate. The return on investment was substantial and eXtra saw a 100% increase in sales from those arriving via web push. In fact, Web Push Notifications now exceed email as eXtra.com's best-performing retention-marketing channel.

"Push Notifications are a huge part of our mobile engagement strategy," says Mujeeb Hazzaa, chief business development officer. "It's a more personal way to communicate with our customers. That's incredibly valuable to our bottom line."



## PUREFORMULAS: PROGRESSIVE MOBILE TECHNOLOGY IMPROVES MOBILE WEB PERFORMANCE THREEFOLD

PureFormulas is a one-stop-shop for health and supplements in the US and has been a strong online brand for many years. Stocking more than 40,000 different products and aimed at a wide range of users among its 600,000 customer base, the company has seen stellar growth – driven by its pride in good customer service online.

And much of that growth has come from mobile as consumers have started to adopt it as their online shopping channel of choice. To keep up with this growing demand and to expand while not losing the personal touch on which it has built its brand, PureFormulas adopted Mobify's new Mobile Customer Engagement Platform.

The new platform is designed for retailers that want to build better relationships through mobile engagement. It is the first mobile commerce solution to leverage the modern web capabilities of Google's Progressive Web App (PWA) technology using the latest features designed to make web apps feel and perform more like native apps – something that chimes with PureFormulas' demand to meet its customer's mobile shopping needs in a personalised and optimal way.

"With a mission to maintain passion for healthy living and a focus on high-level customer service and quality products, PureFormulas is absolutely differentiating on customer experience," explains Carolina Servigna, PureFormulas Senior Director of Technology. "Mobile is an increasingly busier storefront for us, so it's important we harness the best mobile engagement technology to meet expectations. We're very excited to explore how this technology can help us achieve our customer lifetime value goals."

The new Mobify Platform is optimized for fast response. Utilizing Mobify's Progressive Mobile technology, its mobile web feature can be added to traditional mobile web sites, including those built with responsive web design, typically yielding a three-fold performance improvement.

The technology also brings other app-like features to mobile web, including push notifications that can be targeted by consumer behaviour and location, offline usage and more flexible screen layouts. This all adds up to greatly improved conversion rates.

# Conclusion

**C**ompeting in today's omni-channel retail world is a matter of balance. You must balance the benefits of many competing digital technologies and solutions against business objectives and ROI and you must balance doing this against rapidly evolving consumer expectation landscape.

While there are numerous digital projects within your business that all demand investment the surest way to tick all of these boxes in the time frame required by consumers ever-hungry for the next big thing is to consider how mobile and mobile customer engagement can be implemented as a major part of your 2017 digital investment programme.

According to Forrester, improved customer engagement can deliver millions of pounds in annual revenue for retailers if they get it right. Through a better engagement strategy, consumers show a higher willingness to repurchase, a greater likelihood to switch to you from a less engaging competitor and are much more likely to recommend you to other people.

And this level of engagement and personalisation that can lead to all of this comes directly from an investment in mobile.

There are of course many technologies that need investment to meet these challenges, but mobile has the potential to meet many of the customer engagement and revenue generation imperatives quickly, effectively and with a shorter ROI because consumers are mobile and increasingly look to mobile as their primary means of shopping.



# Key Takeaways

## 1) THE PURCHASE FUNNEL IS CHANGING

Where consumers would once pass down the purchase funnel in a linear way, now they move through it in a series of loops, often missing out stages. Understanding this and designing to meet the demands it throws up is key to implementing mobile engagement in your business.

## 2) UNDERSTAND YOUR CUSTOMERS

Uncovering your customers' expectations is the first step to delivering a positive customer experience. When thinking about technology, you need to consider how much your customers engage with technology already – do they regularly use snapchat or are they barely using Facebook on a desktop computer? The systems they regularly interact with shape their expectations. Once you're aware of their expectations you can determine what opportunities exist for your brand to deliver a better customer experience.

## 3) WHAT CUSTOMERS WANT

A customer-first strategy dictates that you must be flexible. Customers expect a seamless, “no-channel” experience, but retailers are stuck thinking about omnichannel. The themes of simplicity, convenience, and context require you to ask and understand what kind of moment is the shopper having right now. Is this person just looking for information or do they really want to buy something right now? Combining the best of customer experience, marketing automation, and customer engagement with a mobile platform is the only way to put customers first.

## 4) GET THE RIGHT TECHNOLOGY

The technology to enable a good user experience exists – it's the trap of prioritizing the latest technology over customer experience that you need to be weary of. We put this strategy in the parlance of designing for the shopper first, as opposed to doing what is possible from a technology standpoint. There are lots of amazing experiences enabled through technology, and you may be tempted to try some of them, but most of them are too novel to enhance a shopper's experience, at least for the time being. If you do choose to try something novel, be sure it's a surprise and delight effect, not a 'surprise and confuse' situation.

## 5) MOBILE HOLDS THE KEY

You have many tempting digital priorities across the retail business each looking for investment, but mobile on its own can deliver many of the advantages that these other projects could deliver in part. It is also where the consumers are. Consumers are moving increasingly to mobile as their main point of contact with retailers. It may not necessarily be the point at which they purchase – although that is growing towards 50% in the UK too – but it is where they will interact at some point with your business.

