The New Digital Consumer in a Multi-Device World

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Who is the new consumer?
Today’s new consumer is highly connected and engages with brands across many devices (mobile, tablet, desktop, wearable) via multiple channels (social, email, web, in-store).
We surveyed smartphone users and non-smartphone users

Smartphone users vs. non-smartphone users

- Gender
  - Male
  - Female

- Age
  - 18-39
  - 40+

- Education level
  - Low
  - Mid
  - High

- Smartphone users
- Non-smartphone users
What is the new customer journey?
More than a third of visits to online stores now come from mobile devices. In the past four years, the percentage of traffic to eCommerce sites from mobile devices (phones and tablets) jumped from 3% to nearly 37%.
eCommerce benchmark data from RSR clients

### Average Order Value
- **Mobile**: $89.52
- **Tablet**: $98.17
- **Desktop**: $97.60

### Conversion Rate
- **Mobile**: 0.92%
- **Tablet**: 2.41%
- **Desktop**: 2.97%

Source: Monetate
Impact of landscape revenue

- **Desktop**
  - 2014 Conversion Rate: 2.97%
  - 2014 AOV: $97.60
  - 2013: 93,000 Users ($220K)
  - 2014: 176,000 Users ($145K)
  - Total Visits: 731,000 Users ($2,118K)
  - Total Revenue: $2,200K

- **Mobile**
  - 2014 Conversion Rate: 0.92%
  - 2014 AOV: $89.52
  - 2013: 124,000 Users ($293K)
  - 2014: 245,000 Users ($201K)
  - Total Visits: 631,000 Users ($1,829K)
  - Total Revenue: $2,483K

- **Tablet**
  - 2014 Conversion Rate: 2.41%
  - 2014 AOV: $98.17
  - 2013: 631,000 Users ($293K)
  - 2014: 731,000 Users ($201K)
  - Total Visits: 1,000,000 Users
  - Total Revenue: $2,260K
Futurecasting impact on revenue

<table>
<thead>
<tr>
<th>Year</th>
<th>Desktop</th>
<th>Mobile</th>
<th>Tablet</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>124,000 Users</td>
<td>245,000 Users</td>
<td>631,000 Users</td>
</tr>
<tr>
<td>AOV</td>
<td>$293K</td>
<td>$201K</td>
<td>$1,829K</td>
</tr>
<tr>
<td>2016</td>
<td>200,000 Users</td>
<td>500,000 Users</td>
<td>300,000 Users</td>
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<tr>
<td>AOV</td>
<td>$473K</td>
<td>$411K</td>
<td>$896K</td>
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</table>

2014 Conversion Rate:
- Desktop: 2.97%
- Mobile: 0.92%
- Tablet: 2.41%

2014 AOV:
- Desktop: $97.60
- Mobile: $89.52
- Tablet: $98.17

Total Visits of 1,000,000
Total Revenue:
- 2014: $2,260K
- 2016: $1,780K
Mobile eCommerce is now a $40 billion market; an increase from $2 billion in 2010. It’s likely that mCommerce will hit $50 billion in sales in 2014.
How many smartphone users research or purchase products on their smartphone in general?

54% use their smartphone to research or purchase products
When and where do smartphone users use their smartphone to research or purchase products?

**When**

- In bed morning: 7%
- Morning: 5%
- Morning commute: 3%
- Late morning: 8%
- Lunch: 12%
- Early afternoon: 13%
- Late afternoon: 14%
- Early evening: 19%
- Evening commute: 4%
- Dinner: 3%
- Late evening: 3%
- In bed evening: 12%

**Where**

- Home: 55%
- In a store: 31%
- Public transport: 7%
- On the go: 35%
As of Q1 2014, just 12% of customers make purchases on more than one device type. However, these figures represent significant growth — at the beginning of 2012, only 4% of shoppers had made purchases on more than one device type.
Following a research on a smartphone, where is a retail product purchased?

- Research: 12%
  - Smartphone: 12%
- Purchase: 84%
  - Offline: 75%
  - Online desktop / tablet: 18%
  - Smartphone: 8%
Consumers take a multi-device path to purchase

- **65%** Start on a Smartphone
- **61%** Continue on a PC/Laptop
- **4%** Continue on a Tablet

- **25%** Start on a PC/Laptop
- **19%** Continue on a Smartphone
- **5%** Continue on a Tablet

- **11%** Start on a Tablet
- **10%** Continue on a PC/Laptop

Source: Google Think Study in partnership with IPSOS and Sterling Brands. U.S., August 2012
When does the customer journey take place?
Impulse or planned purchase? When did they start researching for a retail product?

[Bar chart showing percentage of smartphone users and non-smartphone users who started researching at different time intervals before the purchase.]
Where is the customer journey taking place?
Online vs. offline: where do they research for information on a retail product?

Online research

34% of the smartphone users research online

Desktop/Tablet

27% of the non-smartphone users research online

Smartphone only
Smartphone + Desktop/Tablet
Desktop/Tablet only
How many smartphone users use a search engine to research for a retail product on their smartphone?
What sources of information are used when researching for a retail product?

**Stimulus**
First inspiration or advertising

- Online ads: 3% (blue), 2% (yellow)
- Offline ads: 15% (blue), 12% (yellow)

**ZMOT** (Zero Moment Of Truth)
Pre-purchase touchpoints a consumer seeks out after hearing for the first time about a product/service

- Social networks: 3% (blue), 3% (yellow)
- Reviews/blog: 9% (blue), 7% (yellow)
- Websites: 15% (blue), 12% (yellow)
- Search engines: 12% (blue), 6% (yellow)
- Location search: 5% (blue), 4% (yellow)

**FMOT** (First Moment Of Truth)
First interaction between a shopper and a product/service

- In-store experience: 23% (blue), 27% (yellow)
- Customer service: 4% (blue), 3% (yellow)
What about smartphone users? On which device do they research online for a retail product?

**Stimulus**
- First inspiration or advertising
  - Online ads: 11% (9%)

**ZMOT** Zero Moment Of Truth
- Pre-purchase touchpoints a consumer seeks out after hearing for the first time about a product / service
  - Social networks: 22% (7%)
  - Reviews / blog: 26% (28%)
  - Websites: 23% (45%)
  - Search engines: 50% (46%)
  - Location search: 15% (15%)
### eCommerce 2013

Share of revenue by channel and platform

<table>
<thead>
<tr>
<th>CATEGORY</th>
<th>SHARE (%) OF CATEGORY</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>DESKTOP 100%</td>
</tr>
<tr>
<td>AFFILIATE</td>
<td>1.15</td>
</tr>
<tr>
<td>PAID SEARCH (SEM)</td>
<td>18</td>
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<tr>
<td>DIRECT</td>
<td>21.3</td>
</tr>
<tr>
<td>DISPLAY</td>
<td>1.15</td>
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<tr>
<td>EMAIL</td>
<td>20.9</td>
</tr>
<tr>
<td>ORGANIC SEARCH</td>
<td>23.5</td>
</tr>
<tr>
<td>REFERRAL</td>
<td>13.7</td>
</tr>
<tr>
<td>SOCIAL</td>
<td>0.3</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100%</td>
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</tbody>
</table>

*CUSTOMA E-COMMERCE PULSE _ MOBILE REPORT*
App vs. Browser:
What’s more important in a customer journey?
App vs. Browser: Which one is used the most when researching for a retail product?

- Mobile app: 68% of the smartphone users use a mobile app
- Mobile browser: 53% of the smartphone users use a mobile browser
What do customers research during their journey?
What type of information do smartphone users look for on their devices when researching for a retail product?
What challenges are brands and marketers running into?
Mobile devices drive site traffic, but shoppers mostly purchase on desktops. We see conversion rates on mobile roughly 1/3 of desktop conversion rates.
eCommerce share (%) of site visits, orders, and revenue 2010 - Q1 2014
Mobile orders are smaller, while tablet orders keep pace with desktop.
How do we optimize the customer journey?
“Half the money I spend on advertising is wasted; the trouble is I don't know which half.” – John Wanamaker
Lines between offline and online shopping experiences are blurring

- 44% Research online and buy products online
- 17% Visit a store first, and then purchase online
- 51% Research online and visit store to purchase
- 32% Research online visit store to view product, then return online to purchase

Source: Google Trends
Outside of cross-device attribution, marketers have to contend with cross-channel attribution.
Email

Cross-device and channel tracking require consistent email address or login capture.
Use services like Custora and RJMetrics to understand customer lifetime value and optimize against valuable customers across channels.
Just say “no” to last click attribution. As 75% of purchases require multiple touch points, assigning credit to the last touch point shows an inaccurate picture.
Mobile first

It forces you to streamline content and be concise in your messaging and CTAs.
If you must purchase mobile traffic, prioritize Apple over others
Remarket to a Mobile Consumer

If a user comes from mobile and abandons his or her customer journey, have a mechanism in place for re-marketing.
Convert a Desktop Consumer

If it’s an email program, find out when they are most likely to open that email via desktop and resend the email at that point.
Seed social content to Desktop Viewers or Provide a Mobile Friendly Social Experience

If it’s a social post, seed content to desktop viewers.
Questions?
Sources

• Google Think. Mobile in the Purchase Journey
  http://think.withgoogle.com/mobile-purchase-journey/#/?lang=en

• Custora E-Commerce Pulse

• RSR Google Analytics (select clients)