Making The Most Of The Digital & Mobile Disruptions

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Source: NBC News and The Associated Press (http://photoblog.nbcnews.com/)
The Mobile Mind Shift

The expectation that any desired information or service is available, on any appropriate device, in context, at your moment of need.
Your Mobile Mind Shift

Your company must deliver any desired information or service on any appropriate device, in context, at the customer’s moment of need.
Digital disruption is built on digital platforms

» **Devices** lay the foundation.

» **Software** builds the experience on top of it.

» **Consumers** *believe* in it.

Digital platforms provide the infrastructure of the digitally disrupted economy.
The five platforms vying for consumer control

- **Tools** to connect to consumers
- Open **development** environments
- **Infrastructure** resources to tie it together
Digital disruption will overhaul products, invert category economics, and redefine customer relationships.
Agenda

› What are the key digital trends shaping the agile commerce area?
› What are best practices in the tablet and mobile commerce space?
› How to prepare for the mobile mindshift?
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eBusiness leaders invest in many commerce technology projects

“What are your technology investment priorities for the coming year?”

- eCommerce platform: 52%
- Multichannel integration: 52%
- Web content management (WCM) tools: 52%
- Customer relationship management (CRM) tools: 50%
- Mobile commerce platforms: 48%
- Customer insights and analytic systems: 40%
- Responsive design: 40%
- Product content management (PCM/PIM) tools: 33%
- Site, payment, and system security compliance and protection: 27%
- Site search: 27%
- Back-end integration (ERP, financial reporting): 25%
- Order management (OMS) tools: 17%
- POS/store systems: 15%
- Call center systems: 15%
- Other (please specify): 4%

Base: 49 eBusiness and channel strategy professionals (multiple responses accepted)
Multi touchpoint initiatives will continue to be a major focus for retailers

“When, if at all, are you planning to implement the following multichannel capabilities?”

- Making in-store inventory information available online: 24% already support, 13% within 12 months, 13% in 12-24 months
- In-store email capture: 18% already support, 9% within 12 months, 13% in 12-24 months
- Associate ordering in-store (via associate mobile device or web terminal): 18% already support, 9% within 12 months, 13% in 12-24 months
- Ship from store: 24% already support, 7% within 12 months, 9% in 12-24 months
- Buy online, ship to store: 22% already support, 4% within 12 months, 11% in 12-24 months
- In-store mobile/tablet POS devices for associates: 9% already support, 16% within 12 months, 13% in 12-24 months
- Buy online, pick up in store: 22% already support, 4% within 12 months, 11% in 12-24 months
- In-store digital receipts: 13% already support, 7% within 12 months, 16% in 12-24 months
- In-store mobile/tablet clienteling devices for associates: 7% already support, 9% within 12 months, 11% in 12-24 months
- Self-service POS (via consumers’ mobile device): 4% already support, 13% within 12 months, 9% in 12-24 months
- In-store web ordering kiosks: 5% already support, 14% within 12 months, 5% in 12-24 months

Base: 49 eBusiness and channel strategy professionals

July 2013 “Commerce Technology Investment And Platform Trends — 2013”
Customers don’t think in terms of channels
Multi-touchpoint shopping is increasingly sophisticated

Base: 15,655 European online adults (18+), 57,499 US online adults (18+), 1,837 metropolitan Chinese online adults (18+)

Source: European Technographics® Online Benchmark Survey, Q3 2012; North American Technographics Online Benchmark Survey (Part 1), Q2 2012 (US, Canada); Asia Pacific Technographics Online Benchmark Survey, Q3 2012 (Australia, China, Hong Kong, India, Japan, South Korea)
Mobile traffic is exploding…

BBC News reaches new mobile traffic milestones

Traffic to digital BBC News content from smartphones has started to exceed hits from desktop computers at weekends

Posted: 25 July 2013 By: Sarah Marshall
...But conversion rates are lower on tablets and smartphones

Warning: Your Mobile Website is Killing Your Conversion Rate

Whether you run a micro site making less than $50k or make up to $10 million through online sales, the customer’s move to mobile is affecting your business. In 2012, stats from springmetrics.com showed that websites converted users into buyers at about half the rate on a mobile device as compared to a desktop. Customers also tend to spend less on mobile devices, and less than ten percent of a site’s total revenue comes from mobile commerce.

What do these stats mean? More than likely your mobile site, be it an app or reformatted website, isn’t convincing the consumer to buy. Here’s why - and what you can do about it.
Mobile is the new digital hub

“How frequently do you do the following activities on your primary mobile phone?” (at least weekly)

<table>
<thead>
<tr>
<th>Activity</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Send or receive SMS/text messages</td>
<td>81%</td>
</tr>
<tr>
<td>Use mobile Internet</td>
<td>52%</td>
</tr>
<tr>
<td>Use applications</td>
<td>49%</td>
</tr>
<tr>
<td>Use search engines</td>
<td>44%</td>
</tr>
<tr>
<td>Email</td>
<td>41%</td>
</tr>
<tr>
<td>Access social networking sites</td>
<td>39%</td>
</tr>
<tr>
<td>Take/View pictures</td>
<td>37%</td>
</tr>
<tr>
<td>Research products/services</td>
<td>25%</td>
</tr>
<tr>
<td>Use instant messaging</td>
<td>22%</td>
</tr>
<tr>
<td>Access your bank/financial accounts</td>
<td>20%</td>
</tr>
</tbody>
</table>
Content/media and commerce are popular tablet activities

“What type of activities do you use your tablet for AT LEAST MONTHLY?”

- Use the Internet: 87%
- Email: 70%
- Use applications: 68%
- Play games: 58%
- Access social networking sites: 48%
- Research products/services: 41%
- Listen to music/audio: 36%
- Watch video/TV: 34%
- Access bank accounts: 33%
- Take/view pictures: 33%

Base: 616 UK Online Adults 16+ (Online Weekly or More) WHO USE A TABLET
Source: European Technographics® Consumer Technology Online Survey, Q2 2013
Mobile will mash up physical context *and* connected intelligence
### Retail example based on user location

<table>
<thead>
<tr>
<th>In-store</th>
<th>Competitor store</th>
<th>Home</th>
</tr>
</thead>
<tbody>
<tr>
<td>• Bar code scanning</td>
<td>• Coupons</td>
<td>• Coupons</td>
</tr>
<tr>
<td>• Consumer reviews</td>
<td>• In-store inventory</td>
<td>• How-to videos</td>
</tr>
<tr>
<td>• Coupons</td>
<td>• Nearest “store”</td>
<td>• In-store inventory</td>
</tr>
<tr>
<td>• In-store navigation</td>
<td>• Pricing</td>
<td>• Research tools</td>
</tr>
<tr>
<td>• Lists (e.g., wedding)</td>
<td>• Promotions</td>
<td>• Shopping list build</td>
</tr>
<tr>
<td>• Loyalty</td>
<td></td>
<td>• Store hours</td>
</tr>
<tr>
<td>• Promotions</td>
<td></td>
<td>• Store location</td>
</tr>
<tr>
<td>• Shopping lists</td>
<td></td>
<td>• Weekly circular</td>
</tr>
</tbody>
</table>

Image source: [www.mediaquickly.com](http://www.mediaquickly.com)

M-commerce is much more than e-commerce on smartphones.
Mobile will increasingly be the catalyst for new, connected experiences
The future of retail already exists. It just isn’t evenly distributed yet.
Agenda

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› How to prepare for the mobile mindshift?
Shift your traditional marketing approach by combining mobile’s unique benefits

INTIMACY
IMMEDIACY
CONTEXT

Finding ur Ans now. *U can Ask Q’s or use shortcuts called ThmbSavrs to get fun and info fast. Txt MENU or FUNMENU now to get 411, Scores, Jokes, lots more

Herbal teas, heating pads, exercise, and non-prescription pain relievers are all good ways to reduce the pain of menstrual cramps. *I like secrets? Txt
Differentiate tablet and mobile experiences like Lufthansa

Tablets can offer more rich-media and immersive experiences during the discovery and explore phase of the customer lifecycle.

Most important task-oriented services are directly accessible via the home screen. All other services are only a swipe away.
Break down the silos and be ready to disrupt your business
Embed digital into the entire organization
Empower teams to make faster (and better) decisions
Embrace open innovation to create new product experiences like Withings

All-in-one. Whole-hearted.

The Smart Body Analyzer measures weight, body composition, heart rate, and air quality.

Source: Withings
Partner with more agile players like Shopkick

- Shopper collects “kicks” for walking through the front door.
- Shopper receives additional “kicks” for performing a particular action in the store.
- Shopper can aggregate “kicks” and redeem for discounts, gift cards, etc., across a coalition of retail partners.

Source: shopkick mobile app
Deliver your brand as a service fulfilling customers’ everyday needs like Nike
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Don’t get lost in technology debates

Experience
- Hybrid

Cost
- Light JS Framework

Performance
- Native Tools

Agility
- Mobile Middleware

Connected Tasks
- Device centric

Content focused
- Responsive Web

Full JS Framework
Think context not content
Decide, prioritize and quantify your objectives

What are your company's top 3 priorities/objectives for mobile consumer strategy?

- Increase customer engagement: 55%
- Improve customer satisfaction: 37%
- Generate direct revenue/sales completed by...: 35%
- Appear as innovative: 29%
- Acquire new customers: 28%
- Drive traffic/sales in other channels (e.g....): 25%
- Build loyalty: 24%
- Increase brand awareness: 24%
- Test and learn: 18%
- Reach to particular consumer segments: 13%
- Reduce operating or marketing costs: 7%

Base: 228 Marketing Professionals / Source: Global Mobile Executive Survey, Q1 2013
Adapt your measurement systems and make the most of advanced analytics

Picture credit: source ClickTale
Invest in predictive analysis

Predictive analytics delivers:
- Optimized choices
- Data-driven offers
- Customer buying trends
- Commodity price futures
- Supply chain capacity

Resulting in context-rich experiences:
- Situational interfaces
- Location-aware services
- In-the-moment special offers
- Real-time business intelligence
- Customized services

Insight from the device and sensors
- Location
- Direction
- Identity
- Preferences

Social
- Peer influence data
- Tweets and updates
- Activity feeds
- Social profiles
- Social graph

Historical perspective from systems of record
- Purchasing history
- Order status
- Shipment notification
- Supply chain inventory levels
- Customer records

Public “as-a-service” capabilities
- Mapping
- Augmented reality
- Location-based services
- Network access
- Payments

Smart products
- Health data
- Usage information
- Personal insight
- Action alerts
Partner with IT or capable systems integrator

February 2013 “2013 Mobile Trends for Marketers”
Key takeaways

› Disrupt yourself or become disrupted.

› Deliver new product, customer experiences and business models via digital platforms.

› Make your own mobile mind shift by combining mobile’s unique benefits
Thank you

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