

THE MOBILE SHOPPER IS HERE

88% of Respondents Use Retail Mobile Apps

HOW RETAIL MOBILE APPS HAVE SHAKEN UP THE INDUSTRY

The way customers shop, browse, and purchase is evolving. Retail sales have become more complicated with the introduction of e-commerce, and now, m-commerce. Retailers aren't just selling merchandise in-store anymore; today, online sales are a huge part of retail stores' revenues. Take Starbucks, whose mobile transactions account for [20% of all in-store sales](#) (more than 9 million mobile transactions per week). The introduction of mobile apps has enhanced and complicated the shopping experience for both the customer and the company, and many retailers are still learning how integrating customer-facing apps can improve their existing strategies.

Apptentive recently conducted a consumer survey on retail mobile app usage to help demystify the complex world of retail shopping through mobile apps. In this report, you'll learn how smartphone shoppers use retail mobile apps, how often, and what it all means. We also take a glimpse into the future of holiday shopping habits, and offer tips for retailers on how to provide the best mobile app experience.

HOW SMARTPHONE CONSUMERS USE RETAIL MOBILE APPS

The use of retail mobile apps rose by 174% in 2014, and consumers continue to use retail mobile apps at historically high rates. Of those surveyed, 88% use retail mobile apps. Of the respondents who use retail mobile apps, 61% use the apps at least once a month. Avid customers, or those using retail mobile apps at least seven times per month and making in-store purchases seven or more times each month, make up 26% of respondents who use retail mobile apps.



88% of those surveyed use retail mobile apps.



61% of respondents use their retail mobile app at least once a month



26% of respondents are avid customers who use the app and shop in-store at least 7 times a month

Mobile apps are shifting the way retailers drive in-store sales. Customers are using their retail mobile apps to help guide purchasing decisions before they step foot into a storefront, and are also using them while shopping in-store.

THE NEW IN-STORE SHOPPING EXPERIENCE

With a surge in e-commerce since the early 2000's, retailers used to worry about "showrooming," the act of checking out merchandise in-store and then purchasing the item online (often at a lower price, and from a competitor). Without the overhead costs brick-and-mortar retailers incur, Amazon and other online-only retailers are able to offer lower prices on merchandise, allowing them to benefit from showrooming. M-commerce has alleviated some of the pain of showrooming for brick-and-mortar retailers and has introduced a new shopping tactic that has taken its place: "app-rooming," the act of using a mobile app to browse items, then physically going to the store to purchase said items. Of survey respondents who use retail mobile apps, **71% said they have "app-roomed" at least once in the last month.**

In the last month, 71% of respondents said they have...



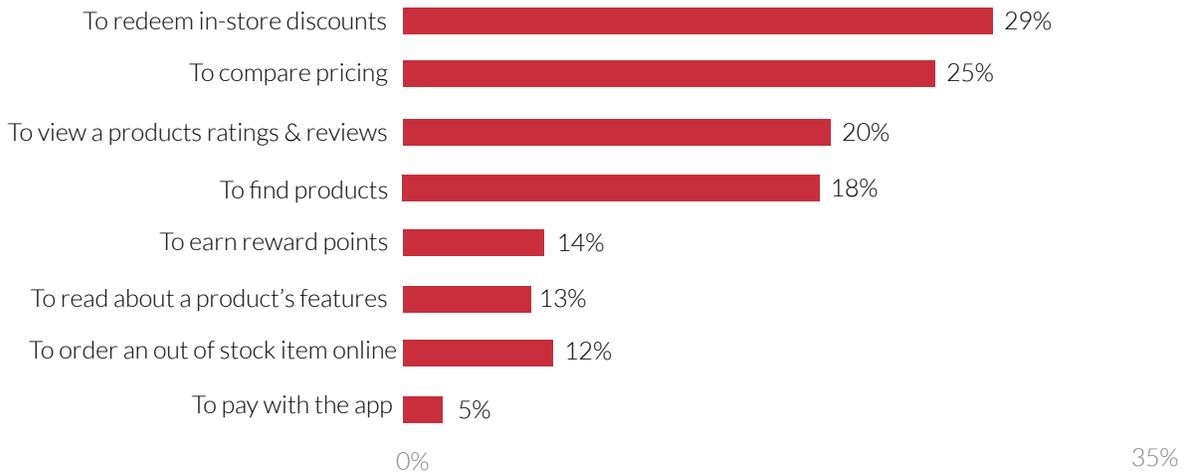
used a mobile app to
browse



and then purchased
in-store

The use of mobile apps while shopping in-store is also popular. Of respondents who use retail mobile apps, **51% use an app while shopping in-store**. Reasons for using apps in-store varies, with the top five reasons including: redeeming in-store discounts, comparing prices, viewing product ratings & reviews, to find products, and to earn reward points.

Top Reasons for Using Apps In-Store



Customers who traditionally prefer in-store shopping still find retail mobile apps valuable, specifically during the holiday shopping season. Of respondents who reported they prefer to shop in-store, **47% said at least some of their holiday shopping will be done using retail mobile apps this year**. Just because customers don't buy on mobile doesn't mean they aren't influenced by the mobile brand presence of retailers, further solidifying the importance of omni-channel branding. Retailers cannot ignore the importance of mobile apps as an acquisition and distribution tool, even if in-app revenue isn't being generated. Customers are multi-tasking by shopping in-store and engaging with brands through their phones all at once. A boom in mobile engagement will only continue over time.

MOBILE USAGE BOOMS DURING THE HOLIDAYS

Holiday shopping is stressful, so anything retailers can provide to make their customers' lives easier during the season will be welcomed with open arms. Mobile apps are the most obvious way to make shopping experiences less stressful, especially during the rush of the holiday season. Retailers take notice: 74% of people who use retail mobile apps plan to use them to do at least some of their holiday shopping this year. Of survey respondents who used retail mobile apps in the last month, **81% of them plan on using them to do at least some of their holiday shopping this year.**



Retailers take notice: 74% of people who use retail mobile apps plan to use them to do at least some of their holiday shopping this year.

The more customers use an app to engage with a retailer, the more opportunity there is to market to their unique needs. Heavy app usage provides retailers with tremendous opportunity to drive sales by engaging their customers. If retailers provide their customers with a valuable app and enhance their shopping experience, customers will return the favor by spending money in their stores.



KEY TAKEAWAYS

Based on the findings of our consumer survey about retail mobile app usage, it's essential for retailers to invest in their mobile app's success.

After making sense of the data gathered from the survey, here are our key takeaways:

- 1** *Mobile app success can't be measured solely in terms of how much revenue it's generating via in-app purchases.* The sheer volume of shoppers using retail mobile apps to help make their in-store buying decisions (71% of all consumers surveyed) points to the value apps are providing customers and retailers. Mobile apps are driving in-store revenue in various ways, which means in-app revenue isn't the only benchmark retailers should pay attention to when it comes to evaluating an app's success. A few additional benchmarks to keep in mind when rating the successfulness of an app are: positive ratings and reviews, healthy retention rate, and increasing number of monthly active users (MAU).
- 2** *88% of people who use smartphones use retail mobile apps, showing the importance of apps to a brand's current and future success.* If retail companies don't invest in quality mobile apps, they're missing out on countless opportunities to interact with their customers and drive sales. As mentioned above, over half (51%) of a brand's customers are engaging with its app while shopping in-store, which opens the door for an unprecedented number of brand-to-consumer engagement opportunities. Competitors are capitalizing on these missed opportunities by investing in valuable mobile apps shoppers love, and if your brand isn't playing the game, it will get left behind.
- 3** *Brands who invest in omni-channel experiences have the upper hand and will continue to see the proof in sales.* If the customer experience provided in-store does not match the customer experience in the mobile app, or if a customer attempts to connect with a brand through its app only to be disappointed that no app exists, a disconnect is created that will influence the way customers shop in the future. Customers appreciate the value mobile apps provide, and will continue to shop at certain retailers based on pleasant omni-channel shopping experiences.

- 4 **Providing value by enhancing customers' in-store shopping experiences will earn their love, helping to create loyal shoppers for life.** Mobile apps make customers' lives easy by enhancing their shopping experiences. The better an experience is with a brand's app, the more delighted its customers will be, positioning them to become loyal over time. Customers appreciate investments retailers make in mobile apps for the customers' benefit, and return the favor by purchasing from retailers who meet them where they are—mobile apps.

In short, mobile apps are worth investing in, even if your brand is still working on nailing down its apps' ROI across all points of purchase. Retail apps drive revenue and loyalty across many different levels, and the retail industry is still early in understanding the exact impact apps have on their brands. Even though there is still ground to cover, one learning from our survey is certain: Retailers who invest in high-quality mobile apps will reap the benefits on enormous levels, while slow-to-adopt competitors suffer the consequences.

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About Apptentive

At Apptentive, we're the experts in mobile customer experience and in-app communication. Our in-app messages, surveys, and intelligent ratings prompts empower brands to build meaningful relationships with their customers. Integrated into thousands of mobile apps including Allrecipes, Concur, Intercontinental Hotels Group, Nordstrom, Overstock, and Urbanspoon, our software makes it easy for any company with a mobile app to grow retention, boost app store ratings, drive downloads, and earn customer loyalty. Apptentive powers millions of mobile customer conversations every month across the world.

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