

Mobile: The Journey Continues
The Evolution of the On-the-Go Mobile Experience

the e-tailing group

commentary

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Though it has been less than a year since our inaugural mcommerce study in 3Q10, it is apparent that the mobile landscape continues to evolve at an epic rate. The goal of our just released **2nd Annual Mobile Commerce Mystery Shopping Study Report** is to keep abreast of these changes, tap into any emerging trends, and share with the ecommerce industry important benchmarks that shape the customer-centric, mobile user experience.

Based on **our audit** of 160 metrics on 50 mobile sites (EG50), selling 13 product categories, the mobile shopping experience has shown improvements in overall usability, better search refinement options, enhanced product pages that sell better, and more efficient checkout processes. However, most mobile sites still have work to do to match the dynamism and more flawless usability of their sophisticated ecommerce counterparts.

In a two-part e-tail detail series we will share some of the best merchant examples our mystery shoppers encountered. First we will introduce our new **Mobile Customer Experience Index**, showcasing top performers along with their mobile sites that engage, inform, streamline, and transact well.

Then, in a subsequent edition, we will highlight the five mobile go scenarios from this report that illustrate what the customer wants to do via mobile.

We hope that both of these communiqués stimulate your mobile endeavors as we are already looking forward to our next study, anticipating the bar to be raised higher in order to exceed mobile shopper expectations.

trends

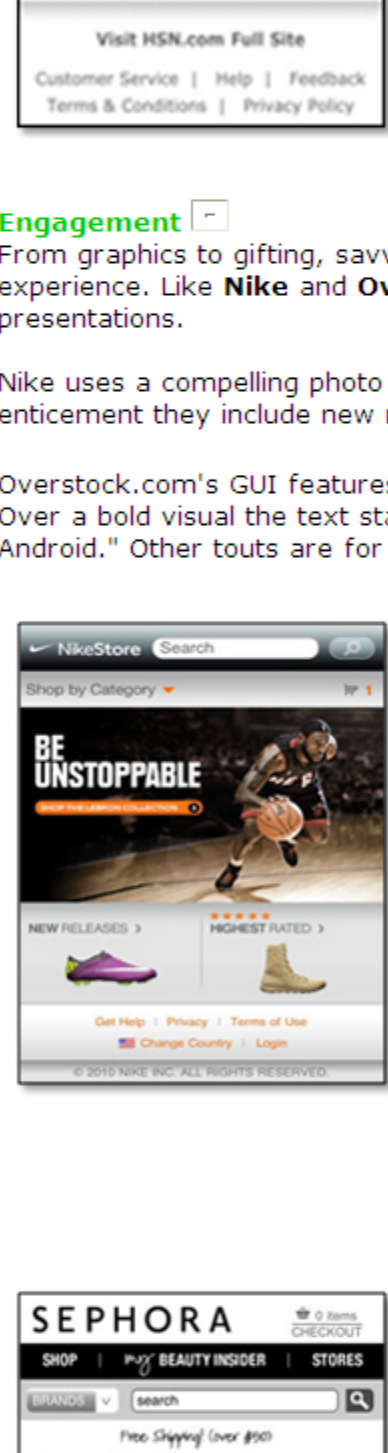
New for 2011 we created the **Mobile Customer Experience Index**, which leverages quantitative analysis to uniquely understand how mobile merchants stack-up against the EG50, direct competitors, and their categories. Mobile websites are scored based on an assessment of metrics on five key pages, presence and execution of vital merchandising tactics, and accessible customer service.

Despite the encouraging results for those at the top of our index, only five sites in our study achieved a score of 80+ on our 100-point scale, reinforcing that there is still significant work to be done to deliver customer-centric mobile shopping.

the e-tailing group Inaugural Mobile Customer Experience Index Top-5 Performing Websites (Scoring rounded out of a possible 100)	
EG50 MOBILE MERCHANTS	2Q '11
Best Buy	82.25
HSN	81.87
Target	81.75
eBags	80.22
REI	80.00

Branding

Each of these winning merchants, among other things, excelled at enhancing the mobile experience through consistent, cross-channel branding. Overall the EG50 scored 2.43 on a 3-point scale for this metric.



Target's home page is a prime example of cross-channel mobile branding at its best from the header that includes links for shopping, personal info, and stores to the registered tagline "EXPECT MORE, PAY LESS" plus these merchandising tactics:

- Daily deals
- Weekly ads
- Exclusive cosmetics' how-to looks
- Footer with standard service links plus links to specialty pages, stores, and categories

HSN relies on both product imagery and icons to set the tone for this extensive **mobile menu**. We particularly like the range of actionable merchandising and customer service links:

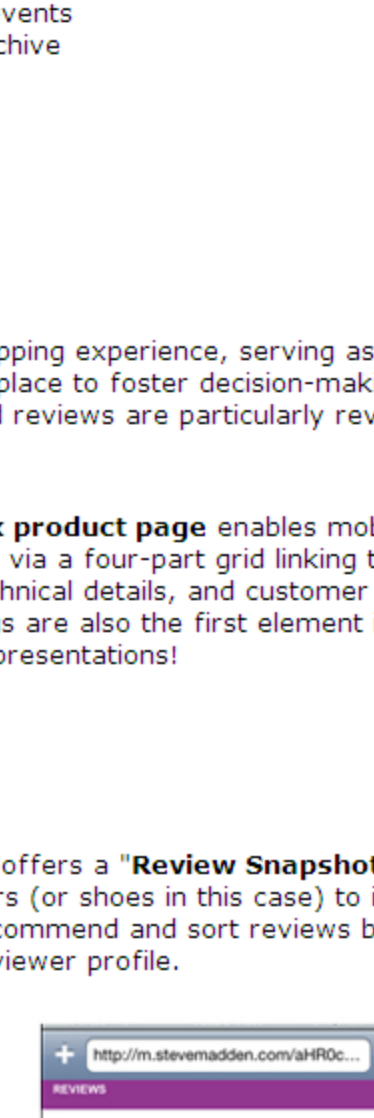
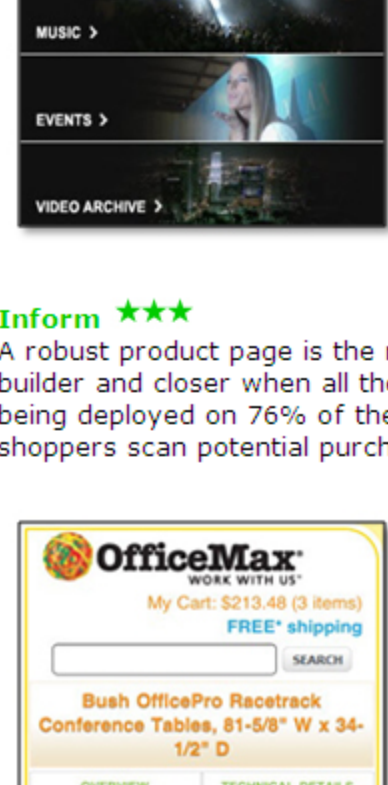
- What's new is the feature
- A promotional special is set-off with the headline font in red
- Last 15 items aired is a nice convenience
- Shop more than 30,000 products demonstrates depth of stock
- Program guide plus links to watch live encourages immediate customer involvement
- Download the app enables more mobile interaction
- Order status and 800# link facilitate communication

Engagement

From graphics to gifting, savvy merchants are adding elements to expand the mobile experience. Like **Nike** and **Overstock.com**, 78% of the EG50 currently have graphic presentations.

Nike uses a compelling photo of Lebron James to introduce his collection. As further enticement they include new releases and highest rated.

Overstock.com's GUI features tie-in with the movie Rio as part of a three-image rotation. Over a bold visual the text states: "Download Free Wallpaper and Ring Tones for your Android." Other touts are for the cell phone category and clearance.

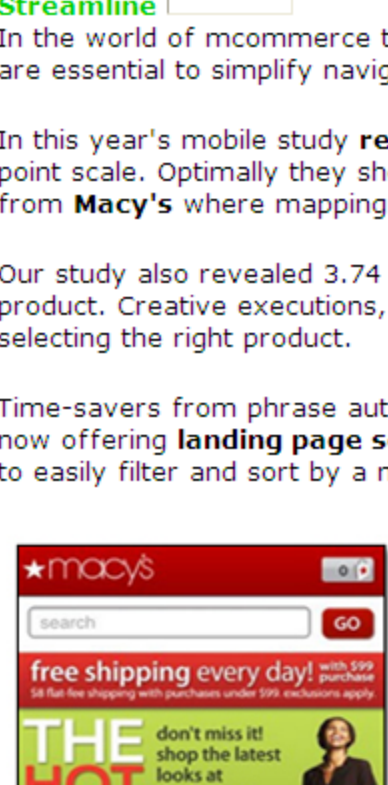


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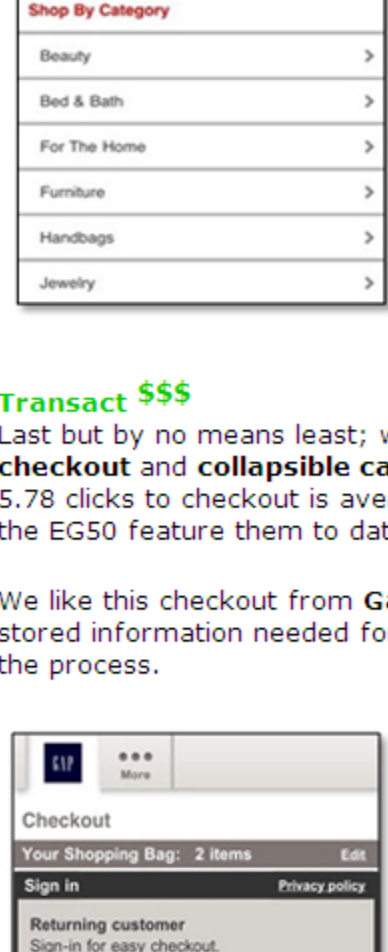
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To engage the deal-seeking mobile shopper, 94% of the EG50 are testing promotional strategies.

Sephora's weekly specials are sure to get their attention with these smart tactics:

- Free sample bag
- Online-only special
- Bundled-product presentation



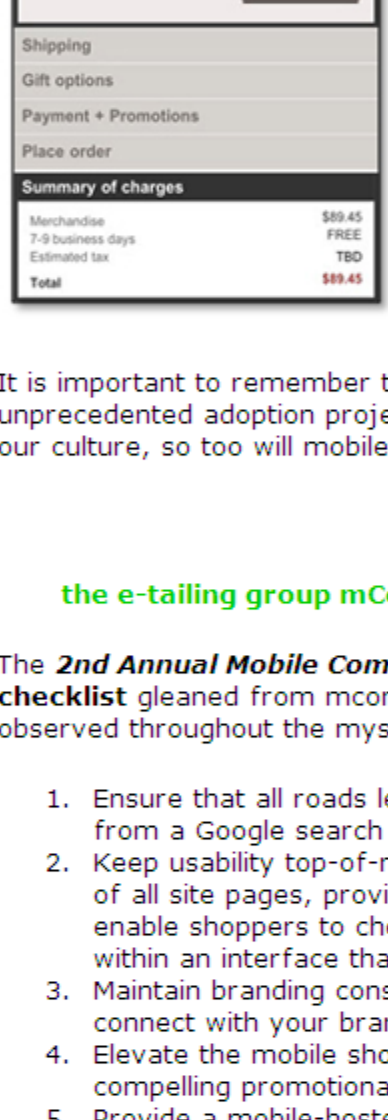
Just as video is adding dimension online, 16% of the EG50 are integrating video within their mcommerce sites.

Armani Exchange has launched their own branded channel **AX-TV** with the tagline: "We Turn On...So You Can" introducing a variety of product-related and entertaining programming on YouTube. Features include:

- Behind-the-scenes shots of commercial filming
- Lifestyle clips
- Music
- Special events
- Video archive

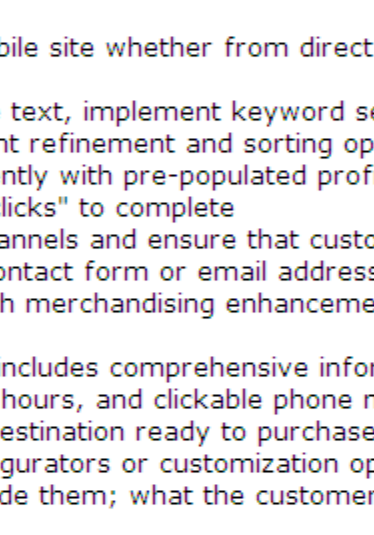
Inform

A robust product page is the nucleus of any shopping experience, serving as a confidence builder and closer when all the information is in place to foster decision-making. Currently being deployed on 76% of the EG50, ratings and reviews are particularly revealing as shoppers scan potential purchases.



This **Office Max product page** enables mobile shoppers to find information via a four-part grid linking to an overview, accessories, technical details, and customer reviews. Customer ratings are also the first element in their at-a-glance product presentations!

Steve Madden offers a "Review Snapshot" that goes beyond five stars (or shoes in this case) to include the percent who recommend and sort reviews by pros, cons, best uses or reviewer profile.



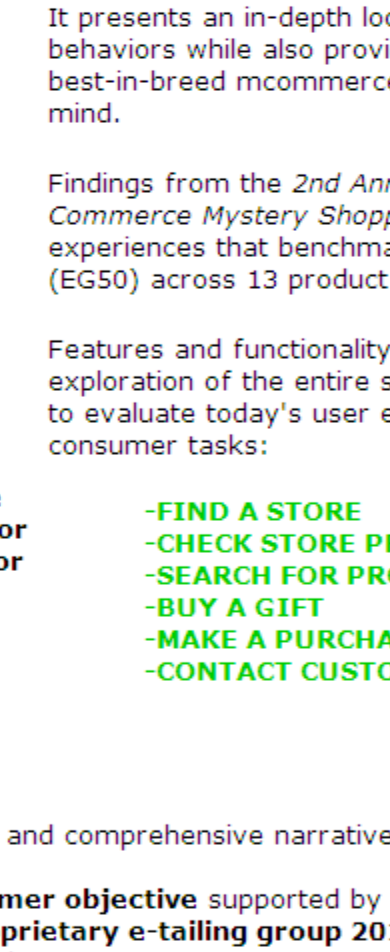
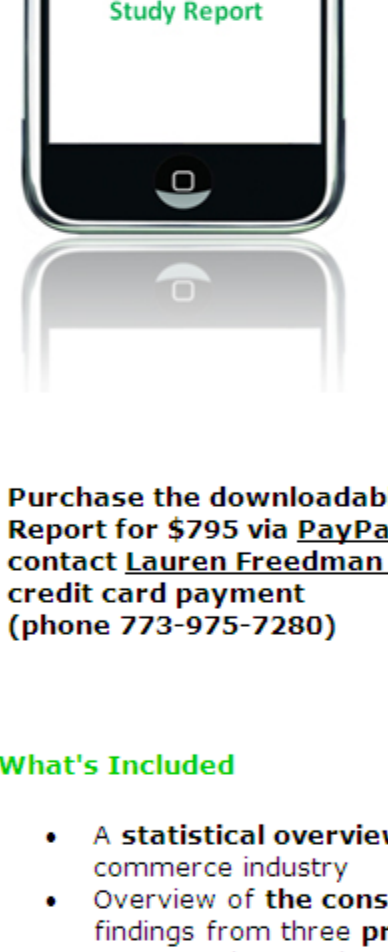
Streamline

In the world of mcommerce tools that help one to find a store, a product, a price or a page are essential to simplify navigating small mobile devices.

In this year's mobile study **retail locators** rose in sophistication to 4.06 from 3.48 on a five-point scale. Optimally they should be accessible on the home page as shown in the example from **Macy's** where mapping and geolocators help shoppers get to their door.

Our study also revealed 3.74 to be the average number of clicks from main category to product. Creative executions, like **Best Buy's TV Finder**, go a long way toward finding and selecting the right product.

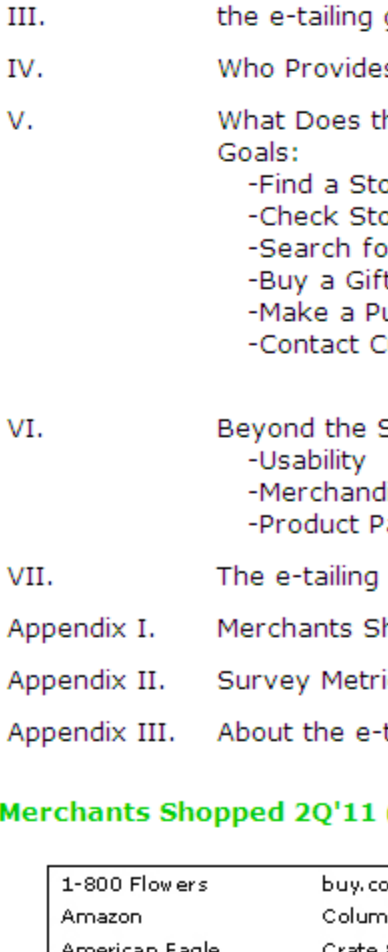
Time-savers from phrase auto-population to simple sorts are optimal with 64% of the EG50 now offering **landing page sorts** like this exemplary one from **Sony** that enables shoppers to easily filter and sort by a number of relevant criteria.



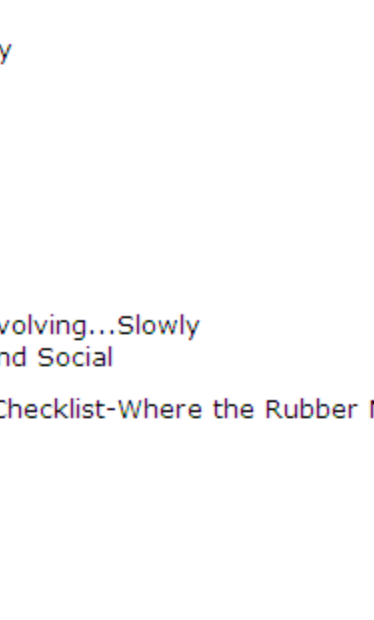
Transact

Last but by no means least; we focus on features that expedite purchasing. **Stepped checkout** and **collapsible carts** are critical for taking customers through the process where 5.78 clicks to checkout is average. **One-click settings** are the gold standard yet only 26% of the EG50 feature them to date.

We like this checkout from **Gap** that only requires returning customers to log-in to access stored information needed for checkout. New customers need only supply their email to start the process.



JC Penney's one-click presentation enables shoppers to register or access either standard or express - or find a store!



It is important to remember that we are still in the early days of mobile commerce with unprecedented adoption projected over time. Just as ecommerce has become ingrained into our culture, so too will mobile shopping transform consumer shopping forever.

checklist

the e-tailing group mCommerce Checklist-Where The Rubber Meets The Road

The **2nd Annual Mobile Commerce Shopping Study Report** culminates with this **master checklist** gleaned from mcommerce merchant strengths and weaknesses that were observed throughout the mystery shopping process.

1. Ensure that all roads lead back to your mobile site whether from direct URL entry or from a Google search link
2. Keep usability top-of-mind; use only legible text, implement keyword search at the top of all site pages, provide users with relevant refinement and sorting options, and enable shoppers to checkout quickly/efficiently with pre-populated profile information within an interface that requires minimal "clicks" to complete
3. Maintain branding consistency across all channels and ensure that customers can connect with your brand via 800#, email contact form or email address
4. Elevate the mobile shopping experience with merchandising enhancements and compelling promotional offers
5. Provide a mobile-hosted retail locator that includes comprehensive information - geolocation, driving directions/maps, store hours, and clickable phone numbers will ensure that your customer arrives at the destination ready to purchase
6. If select features like guides, product configurators or customization options cannot be supported on the mobile device, don't include them; what the customer doesn't see often won't be missed
7. Enhance product pages with comprehensive product information, relevant recommendations, product photos that can be enlarged/viewed from other angles or color changed, and meaningful ratings and reviews
8. Provide shoppers the ability to reach out and touch someone by emailing product details to friends, sharing product information or engaging with the merchant on social networking sites
9. Monitor your mcommerce experience to maintain parity but more importantly to stay ahead of your category and the industry's best

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\$795
Via PayPal or by Credit Card

The goal of this comprehensive 53-page report is to keep abreast of the changing mobile landscape, tap into emerging trends, and share with the ecommerce industry any important benchmarks that shape the consumer-centric, mobile user experience.

It presents an in-depth look at many current shopping behaviors while also providing a blueprint for executing best-in-breed mcommerce; keeping the customer top-of-mind.

Findings from the **2nd Annual e-tailing group Mobile Commerce Mystery Shopping Study** are based on iPhone experiences that benchmark 160 metrics on 50 sites (EG50) across 13 product categories.

Features and functionality were reviewed including an exploration of the entire site through the checkout process to evaluate today's user experience relative to these six consumer tasks:

- FIND A STORE
- CHECK STORE PRODUCT AVAILABILITY
- SEARCH FOR PRODUCT
- BUY A GIFT
- MAKE A PURCHASE
- CONTACT CUSTOMER SERVICE

What's Included

- A **statistical overview** and comprehensive narrative of the state of the mobile commerce industry
- Overview of the **consumer objective** supported by industry feedback and related findings from three **proprietary e-tailing group 2011 research studies**
 - o 10th Annual Merchant Survey
 - o e-tailing group/Coffee Table Smartphone/Tablet Owners Survey
 - o 13th Annual Mystery Shopping Study
- Survey findings presented within the context of six scenarios that illustrate what **consumers want to accomplish via mobile**
- The **Mobile Customer Experience Index** is introduced, scoring mobile websites on a 100-point scale to understand how they stack-up against the EG50, direct competitors, and categories
- **Best-in-class merchant execution** is highlighted with relevant examples shown
- **Bumps in the Road** are identified followed by Road Tested Tips/Best Practices to help merchants excel in the mcommerce world
- The report wraps up with a look at overall **mobile shopping usability**, factoring in branding, merchandising, promotions, product page presentation, and social initiatives

Table of Contents

- I. Introduction
- II. Industry Insights - Merchant and Consumer Research Findings
- III. the e-tailing group's 2nd Annual Mobile Commerce Mystery Shopping Study
- IV. What Provides the Smoothest Ride? Top Performing Merchants
- V. What Does the Customer Want to Do via Mobile? Scenarios Illustrate Mobile Goals:
 - Find a Store
 - Check Store Product Availability
 - Search for Product
 - Buy a Gift
 - Make a Purchase
 - Contact Customer Service
- VI. Beyond the Scenarios
 - Usability
 - Merchandising Sophistication Evolving...Slowly
 - Product Page Enhancements and Social
- VII. The e-tailing group mCommerce Checklist-Where the Rubber Meets the Road

Merchants Shopped 2Q'11 (EG50)

1-800 Flowers	buy.com	Gap	Nike	Sears
Amazon	Columbia	Garnet Hill	Nordstrom	Sephora
Amazon Eagle	Crate & Barrel	GNC	Office Max	Staples
Armani Exchange	Crutchfield	Godiva	Orvis	Steve Madden
Aveda	Dell	Golfsmith	Overstock.com	Sunglass Hut
Barnes & Noble	eBags	Hone Depot	Petco	Target
Best Buy	Famous Footwear	HSN	Pollo/Ralph Lauren	Toys R Us
Blue Nile	Foot Locker	JCPenney	Pottery Barn	Victoria's Secret
Bluefly	Forever 21	Lowes	REI	Walgreens
Brookstone	FTD.com	Macy's	Saks Fifth Avenue	Zappos

who we are

About the e-tailing group

the e-tailing group is a niche ecommerce consultancy that helps merchants to deliver the right customer experience on their websites and across all of their channels while adeptly assisting technology companies to create and execute go-to-market strategies that simultaneously educate the retail community and deliver cost-effective thought leadership and lead generation. For more information and contact Lauren Freedman via email to LF@e-tailing.com.

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