

# 2017 Q1 Mobile Commerce Insights Report

Actionable insights on Q1  
benchmarks and 2017 trends





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As we wrap up the first quarter of the year, it's clear 2017 will be a monumental one for mobile commerce in North America and Europe. We are reaching a tipping point – mobile revenue will overtake desktop on a broad scale this year.

Mobile isn't just a channel, it's a way of life. Retailers and brands that grasp this concept and align their strategies and investments accordingly will be the ones to capture the mobile revenue increase in 2017.



**Igor Faletski, CEO, Mobify**

This edition of our quarterly Mobile Commerce Insights Report includes benchmarks and actionable insights from Q1, as well as a look at the year ahead. Ecommerce will reach an important milestone this year – retailers will finally see mobile revenue overtake desktop revenue. Leaders in mobile are already beginning to see the revenue flip, and many more will see the same trend in time for Black Friday this year.

## INSIGHTS

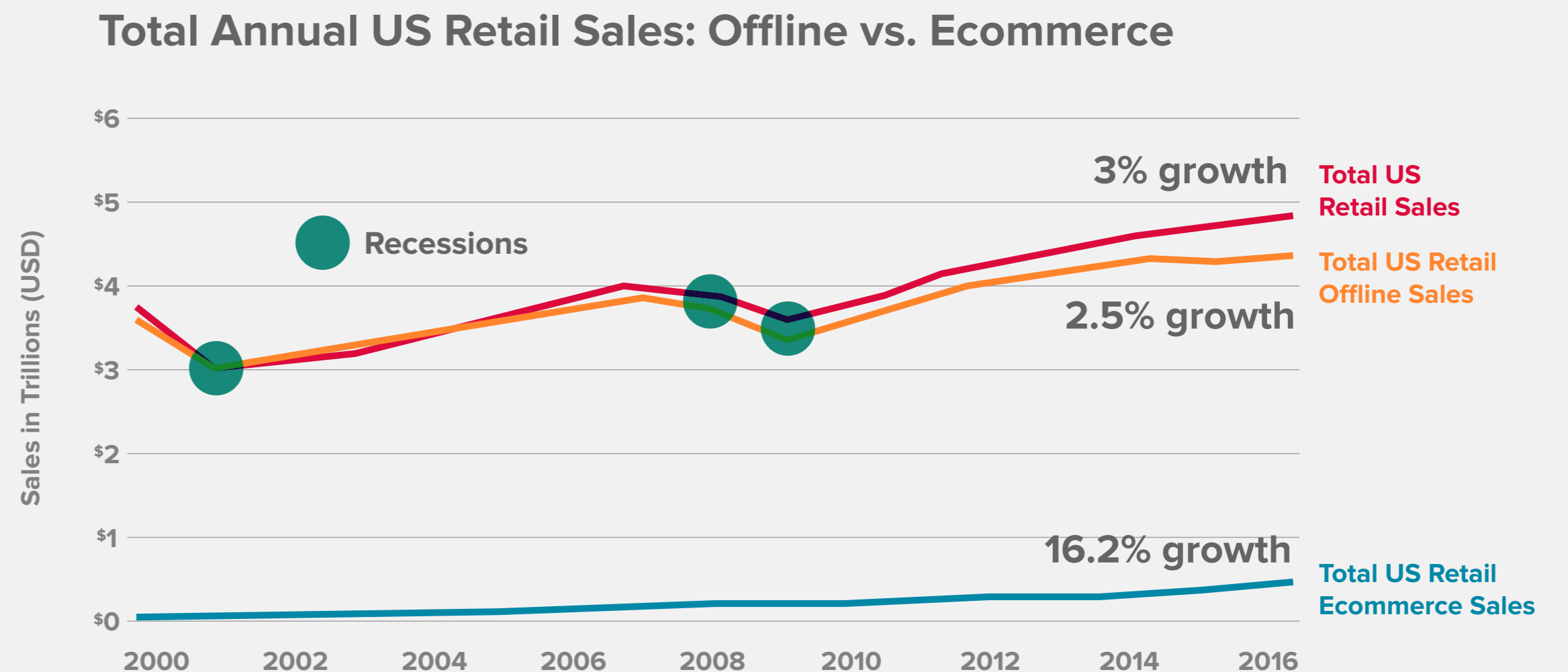
1. Mobile revenue will finally overtake desktop – just in time for Black Friday 2017
2. Mobile funnel benchmarks highlight areas to reduce friction
3. Web push notifications are a perfect fit for mobile shoppers

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Mobile revenue will finally overtake desktop – just in time for Black Friday 2017

## The Big Picture:

- Offline sales were hit hard during recession years, but online sales continued to grow.
- In 2015 there was more of an increase in absolute dollars from online sales than offline sales.
- By 2019, the majority of the increase in retail sales will consistently come from online.



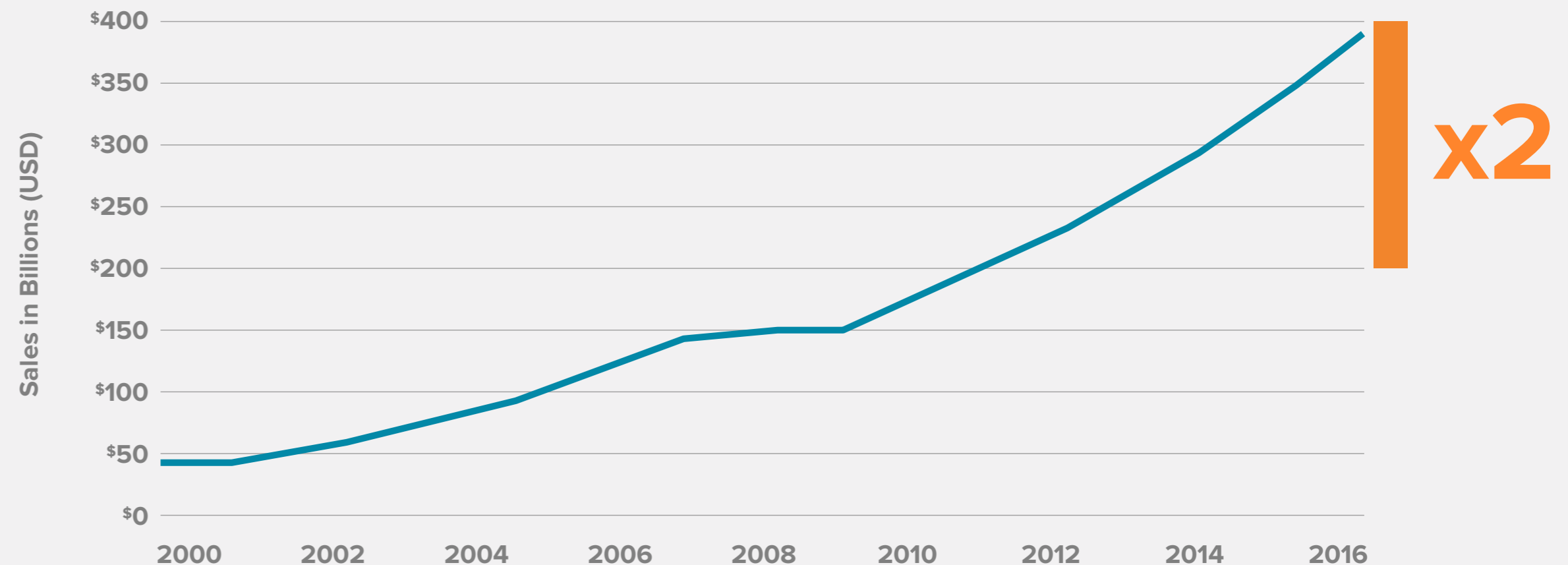
Source: [https://www.census.gov/retail/mrts/www/data/pdf/ec\\_current.pdf](https://www.census.gov/retail/mrts/www/data/pdf/ec_current.pdf)

## Zooming In:

- Online sales have grown almost perfectly exponentially at **16.2%** per year.
- Ecommerce revenue has **doubled** over the past 5 years.

Where is that 16% growth in ecommerce coming from?  
**You guessed it – mobile.**

### Total Annual US Retail Ecommerce Sales



Source: [https://www.census.gov/retail/mrts/www/data/pdf/ec\\_current.pdf](https://www.census.gov/retail/mrts/www/data/pdf/ec_current.pdf)

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Phones represent the biggest disruption to retail since commerce went digital.

- **Salesforce Commerce Cloud (previously Demandware)**

## Mobile traffic is already dominating:



Mobile searches surpassed desktop searches on Google and mobile traffic surpassed desktop traffic for large retailers



Mobile traffic surpassed desktop traffic for medium retailers



Mobile traffic surpassed desktop traffic for small retailers



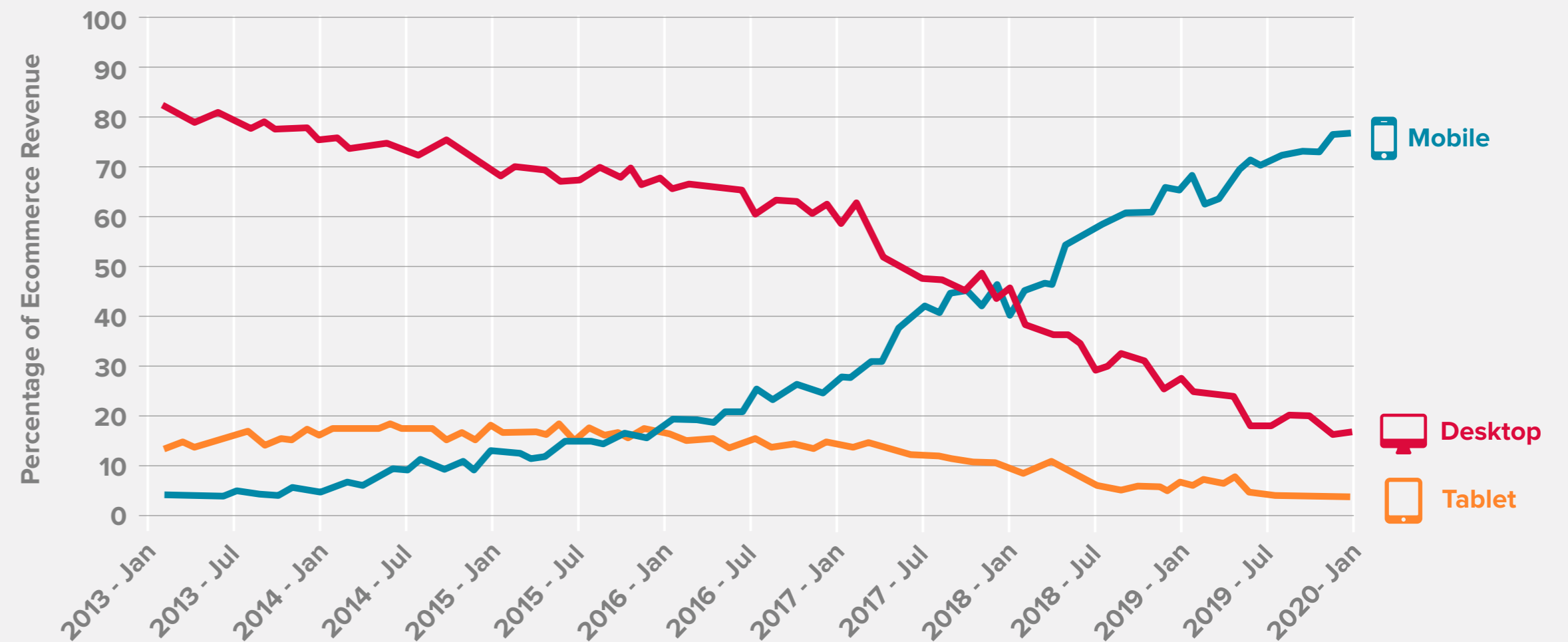
Mobile revenue will finally overtake desktop – just in time for Black Friday 2017

When will mobile revenue catch up?

**Soon.**

Mobile revenue will overtake desktop revenue in the second half of 2017, just in time for the busiest shopping season of the year.

Percentage of Ecommerce Revenue by Device



Methodology: We took data from a sample of our U.S. enterprise ecommerce customers up to and including January 2017, and used the Holt-Winters exponential smoothing function.

Mobile revenue will finally overtake desktop – just in time for Black Friday 2017

Just as we saw with mobile traffic, not every retailer will experience the revenue flip at the same time.

**Mobile Leaders:**

Q3 2017

**Mobile Median:**

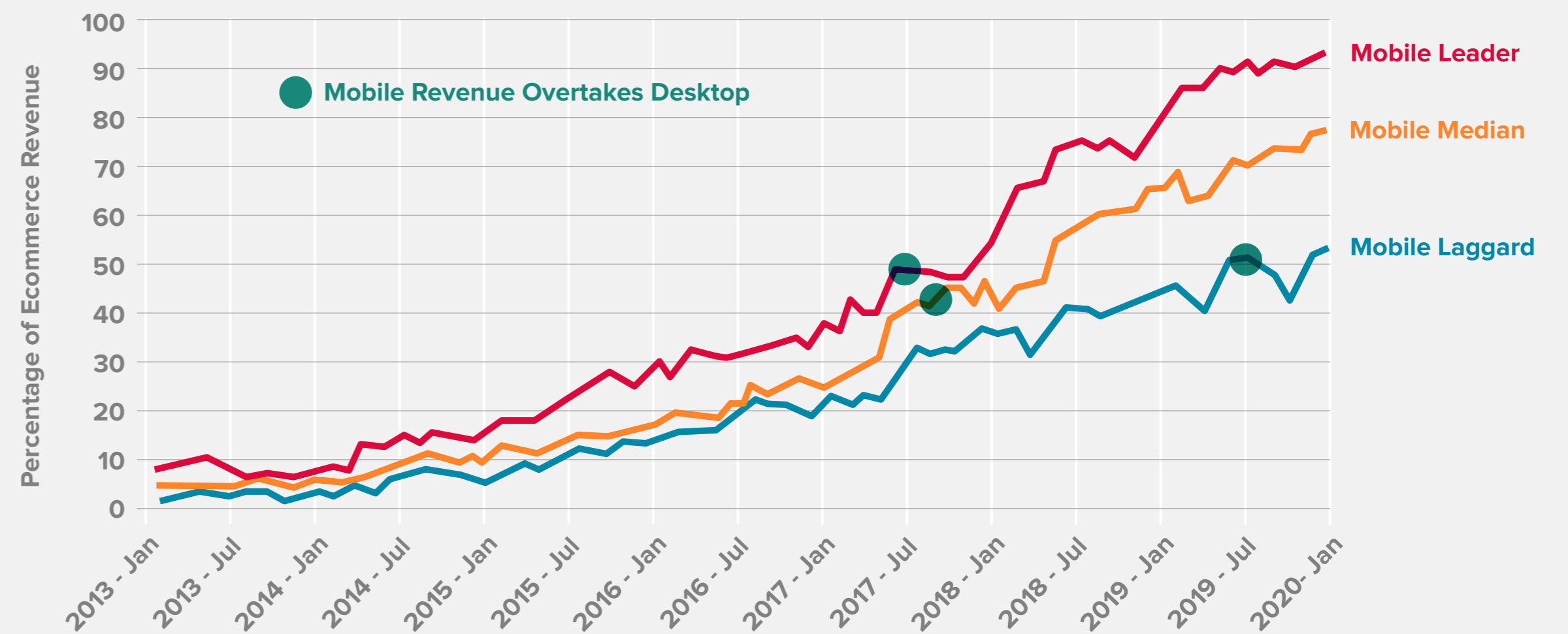
Q4 2017

**Mobile Laggards:**

Q3 2019

(if they survive that long)

Mobile Revenue as a Percentage of Total Ecommerce Revenue



## Insight:

According to [Fluent's 2017 Devices and Demographics report](#), 4 factors would make it more likely for consumers to shop via mobile: easier navigation, increased speed, one-click purchases, and enhanced security. Emerging technologies and new UX research are solving these issues. Retailers who take advantage of these – ASAP – will be among the retailers that see mobile revenue surpass desktop before Black Friday 2017.

## How can you capture the increase in mobile revenue this year?

**Easier navigation:** Use location and customer behavior data to personalize content, and adhere to [mobile commerce UX best practices](#).

**Increased speed:** Implement a Progressive Web App (PWA), which pre-loads content to improve page speeds by 2 to 4 times. For the first page load, use Accelerated Mobile Pages (AMP) – a lightweight version of a page that Google caches. This allows organic traffic to load your first page almost instantly, and your PWA to load in the background to make every subsequent page load fast. By combining PWAs and AMP, you can “start fast, and stay fast.”

**One-click purchases:**

Offer technologies that allow users to avoid filling out billing and shipping information like [Apple Pay](#), [Android Pay](#), and the [Payment Request API](#).

**Enhanced security:** Add lock icons and the word “secure” to your checkout buttons – studies show that the larger the icon, the more secure shoppers feel.

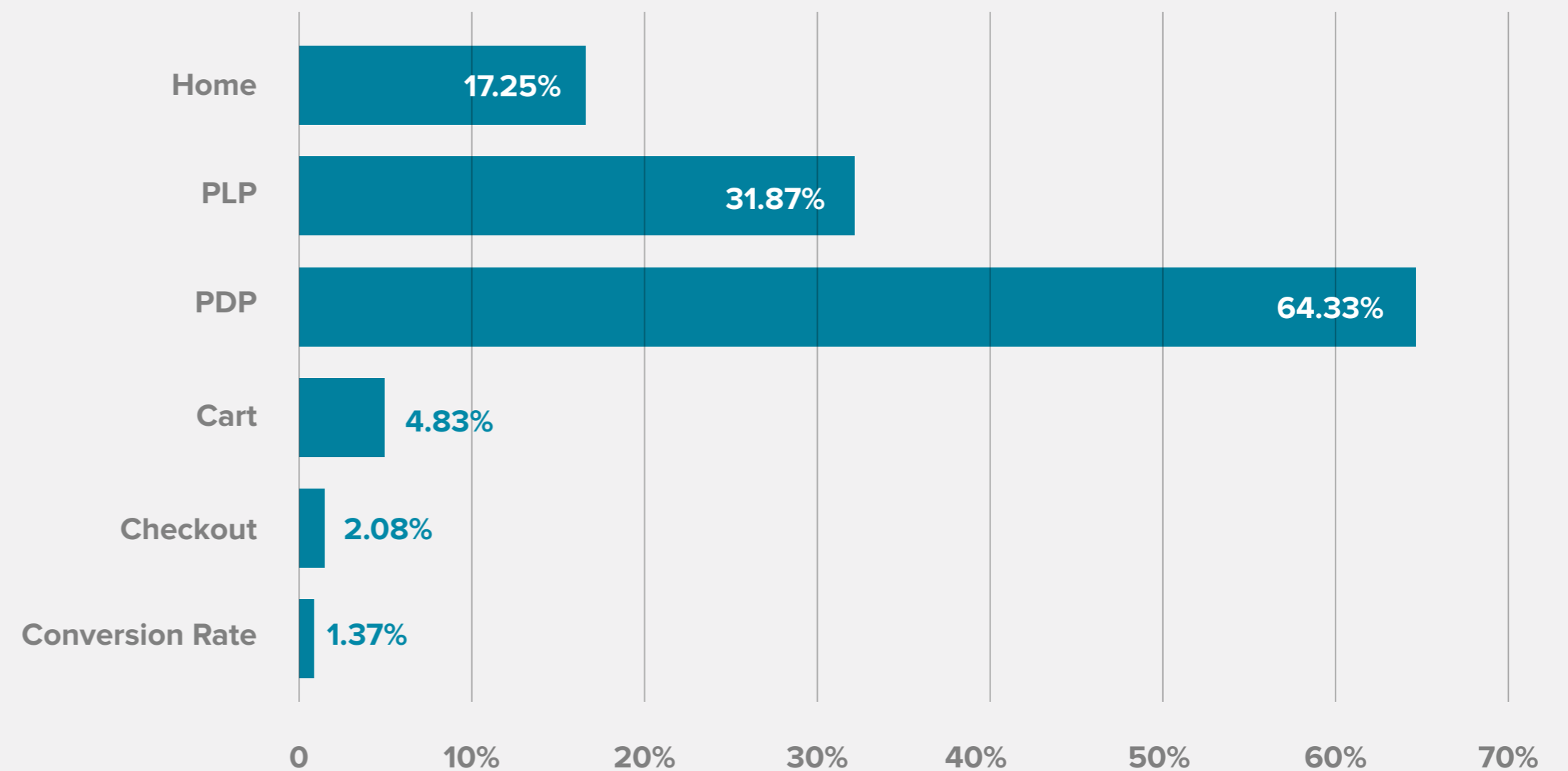


# 2

Mobile funnel  
benchmarks highlight  
areas to reduce friction

- The product display page (PDP) is visited in **3.7x** more sessions than the homepage.
- **57%** of sessions drop off from cart to checkout.
- **34%** of sessions drop off from checkout to conversion.

### Percent of Total Mobile Sessions by Funnel Stage



## Insight:

The mobile funnel is broken. Shoppers enter and leave at various stages, making it difficult for marketers to follow them throughout their shopping journey. The key is to optimize popular entry points (like product pages) for search and performance, and identify points of friction to reduce customer drop-off.

## How can you optimize your mobile funnel to increase conversions?

- Implement Accelerated Mobile Pages (AMP) on popular landing pages for instantaneous page loads that reduce bounce rates.
- Provide fast, app-like experiences through a Progressive Web App to prevent drop-off once a shopper lands on your site.
- Streamline your checkout on mobile using [mobile commerce UX best practices](#) to reduce drop-off.
- Trigger automated web push notifications when customers abandon their cart to save the sale.

# 3

Web push notifications  
are a perfect fit for  
mobile shoppers



Web push notifications are relatively new, so before we jump into the benchmarks, let's clarify a few definitions.

\*Reasons notifications may not display: message times out; browser is uninstalled; devices are turned off, reset, or broken

### Opt-in rate

$$\frac{\# \text{ of users who opt in}}{\# \text{ of unique users who were asked to opt in}}$$

### View rate\*

$$\frac{\# \text{ of unique messages displayed}}{\# \text{ of unique messages sent}}$$

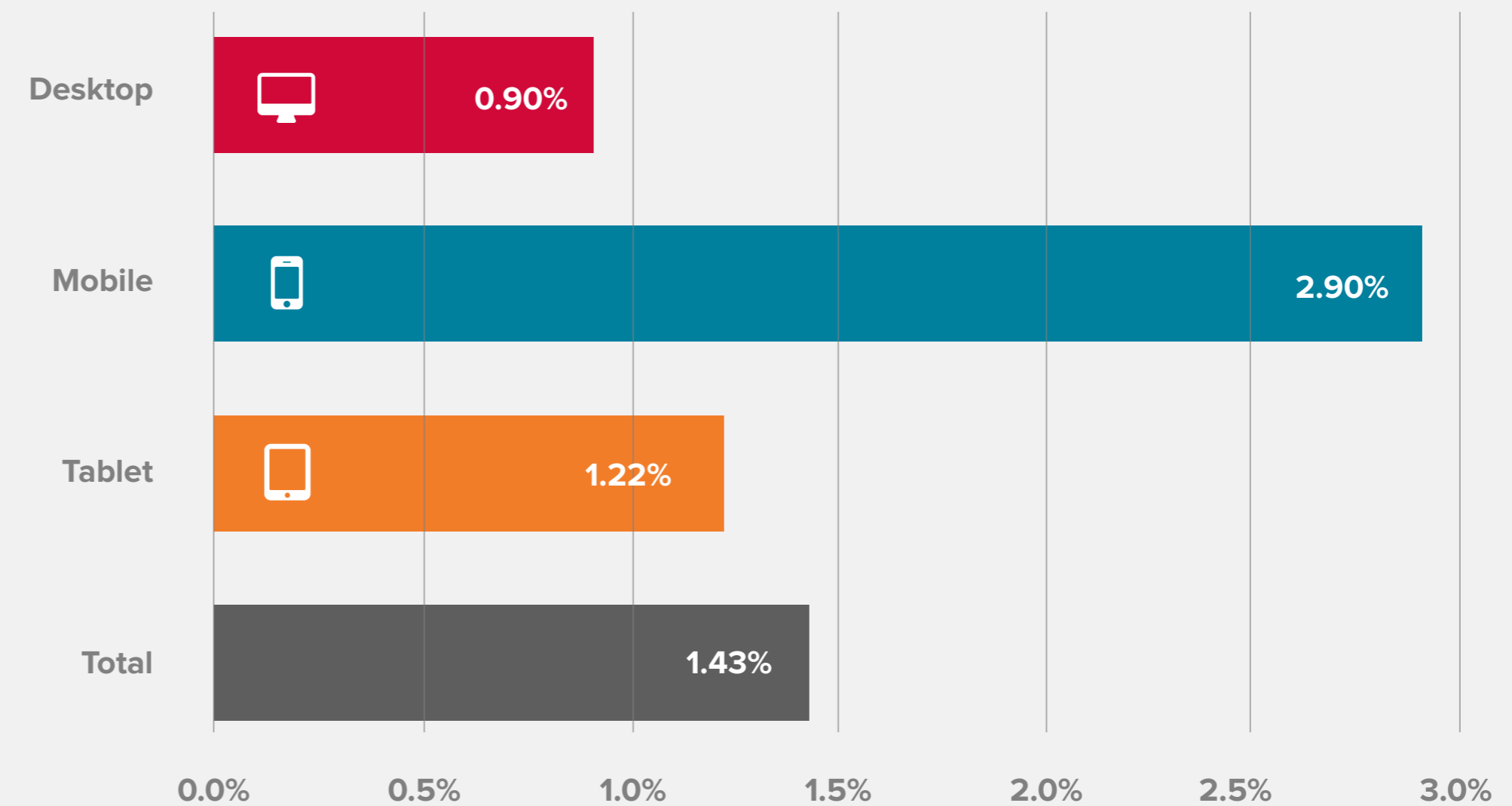
### Click-through rate (CTR)

$$\frac{\# \text{ of unique clicks}}{\# \text{ of unique messages sent}}$$

## WEB PUSH BENCHMARKS:

**Opt-in rate**

Mobile opt-in rate is **3.2x** higher than desktop, and **2.4x** higher than tablet.

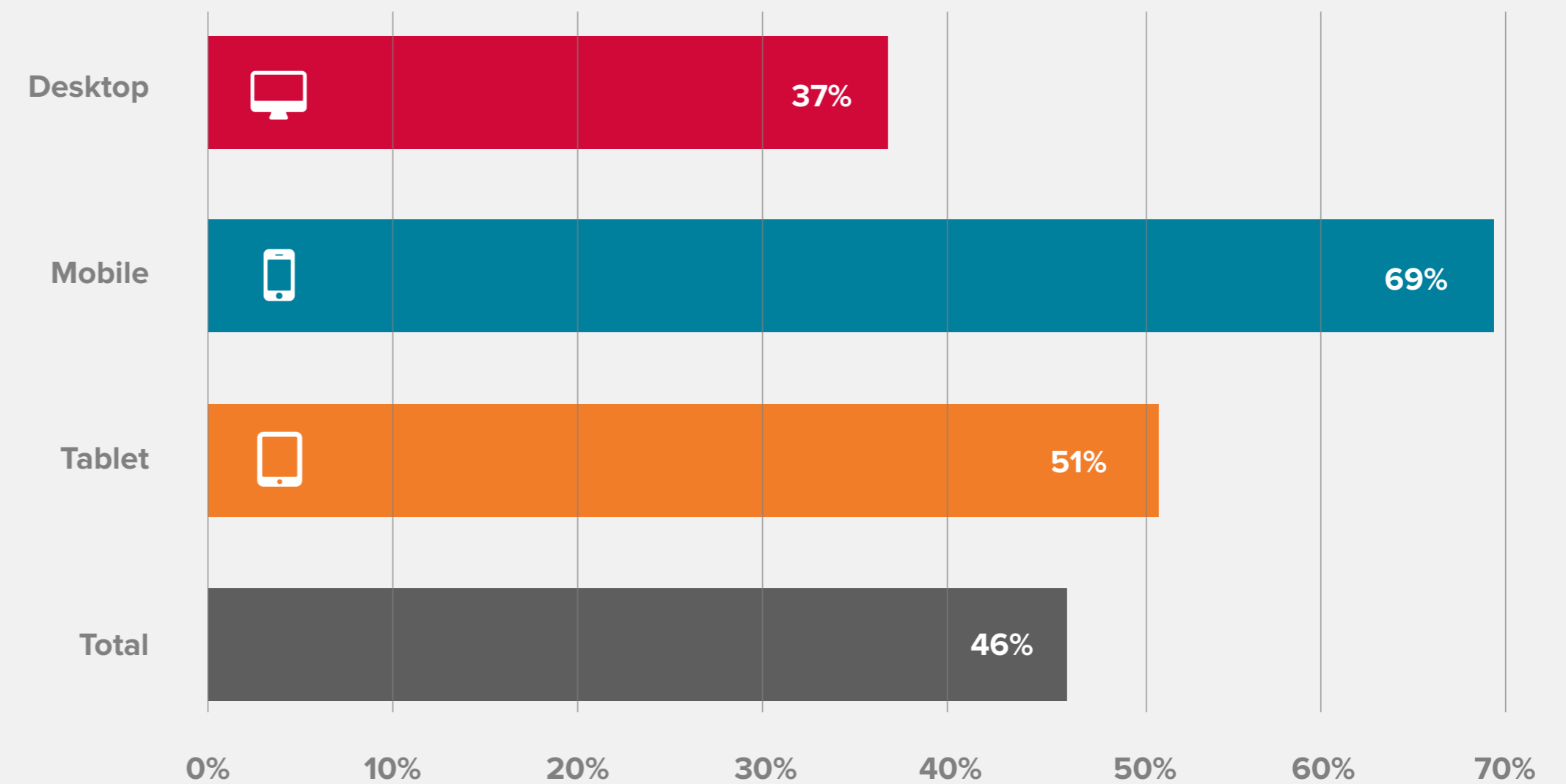
**Web Push Opt-In Rate by Device**

## WEB PUSH BENCHMARKS:

**View rate**

Mobile view rate is **86%** higher than desktop, and **35%** higher than tablet.

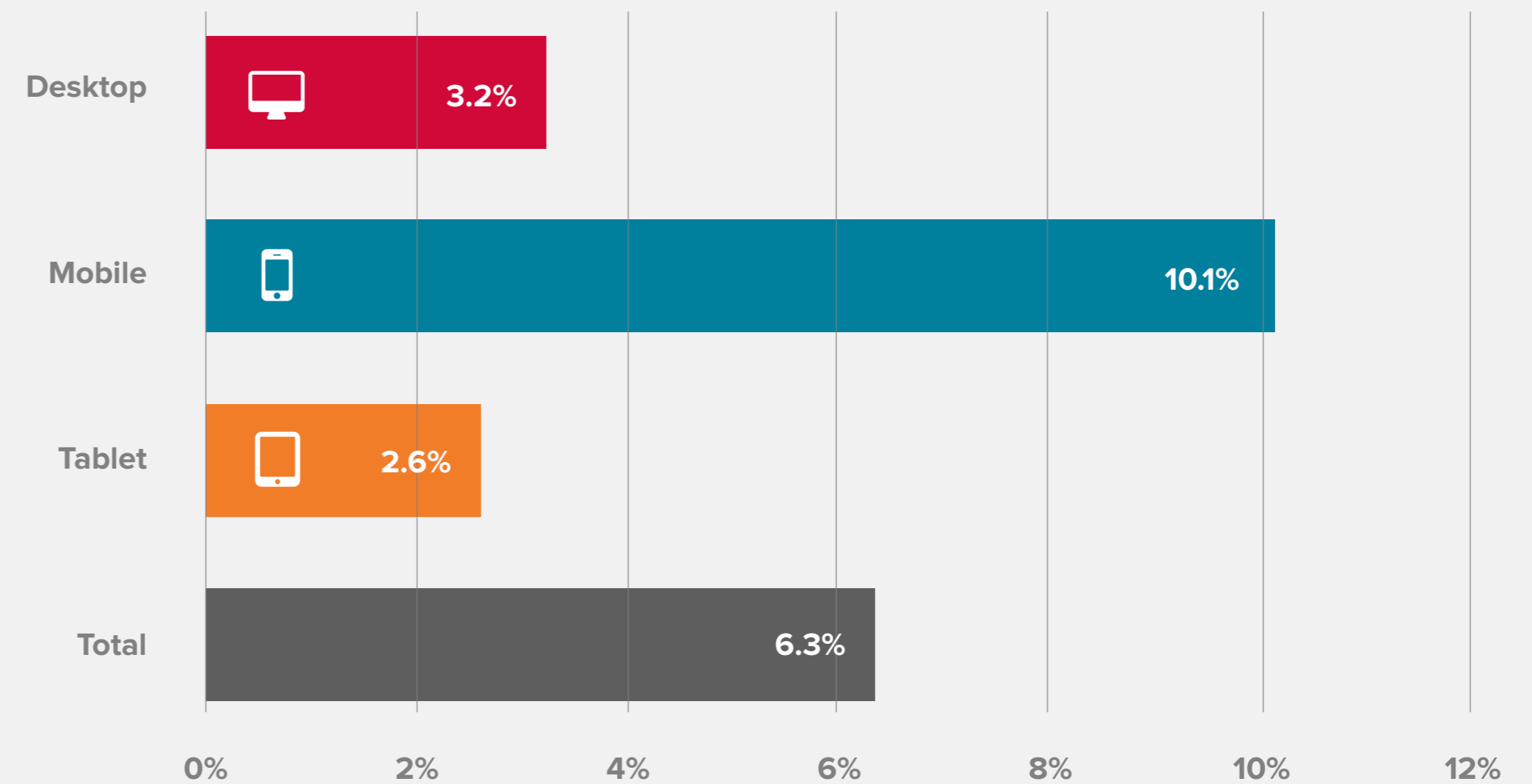
Web Push View Rate by Device



## WEB PUSH BENCHMARKS: Click-through rate

Mobile click-through rate (CTR) is more than **3x** higher than desktop or tablet.

### Web Push Click-Through Rate by Device

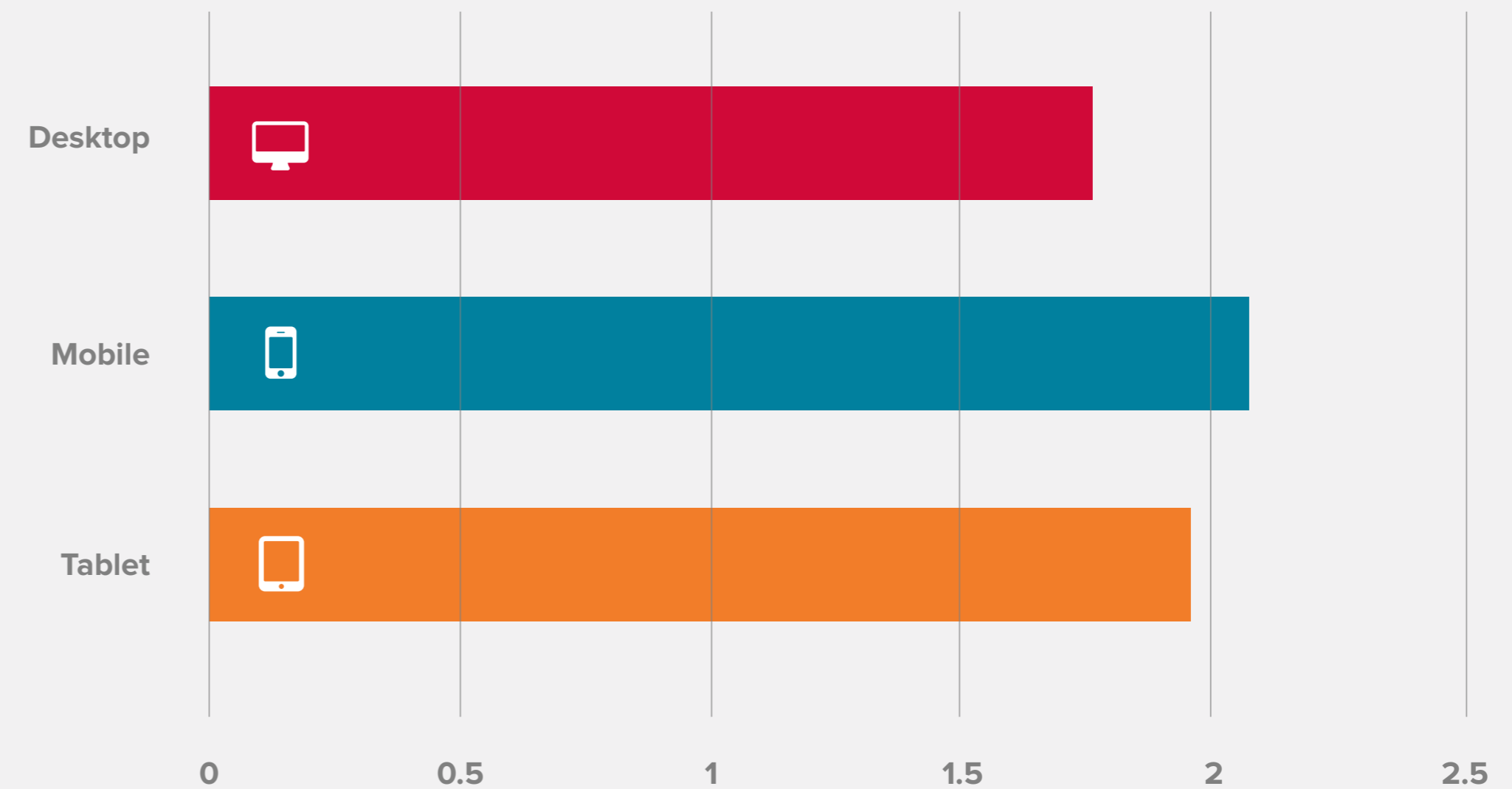






WEB PUSH BENCHMARKS:  
**Repeat visitors**

Subscribers typically return **twice per quarter** via web push notifications.

**Repeat Visits from Web Push Within a Quarter**



## Web Push vs. Email

	 Web Push	 Email
View / Open Rate*	46%	17%
CTR	6.3%	2.3%

**2.7x more** people will open and click your web push message.

\*The view rate on web push is equivalent to the open rate on email as the web push message is displayed right on the user's screen.

Sources: <https://sumo.com/stories/email-signup-benchmarks>  
<https://mailchimp.com/resources/research/email-marketing-benchmarks/>

## Insights:

Web push is a very effective channel for reaching and engaging mobile customers. With the majority of online traffic coming from mobile, web push should be used as a tool to turn traffic into revenue and increase repeat customers.

## How can you use web push notifications to drive revenue?

- Trigger automated web push notifications to save the sale when a shopper abandons a cart.
- Send web push notifications around any time-sensitive information like limited-time discounts or event-based sales like Black Friday.
- Adhere to [push notification best practices](#) to increase opt-in, view, and click-through rates.

# Questions? Contact us

There are no more excuses for your mobile conversions to be lower than desktop. The technology and user research needed to make mobile your dominant source of ecommerce revenue is available. Mobile revenue will dominate by Black Friday 2017 – the question is, will you be one of the retailers riding the wave, or scrambling to stay afloat?

**Want to ride the wave? Get in touch.**

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# Methodology

## Who?

- U.S. Ecommerce Websites

## When?

- Q1 2017 (January 1 - March 31)



[www.mobify.com](http://www.mobify.com)

