



MOBILE
COMMERCE
TRENDS AND
INSIGHTS

Matt Swan
Head of Business Intelligence

Mobile commerce has grown considerably over the past few years. We first started looking into our mobile data back in 2011. At this time traffic and sales stood at just 2% of all activity across the network. Fast forward to the present day and we see in excess of 50% of traffic across the network originating from a smartphone or tablet, and more than 35% of transactions.

With consumer behaviour evolving, it has been extremely important to stay ahead of the mobile curve. With mobile traffic accelerating, it is essential for advertisers to have a mobile strategy in place - those not optimised for mobile are in danger of being left behind.

Additionally, it is important that affiliate tracking is added to your mobile site – not only to ensure affiliates are rewarded for the sales they are driving, but also from an insight point of view.

This document outlines the importance of mobile tracking as well as the additional insights that can be gleaned from tracking cross device activity.

If you missed our webinar that also addressed the points covered in this document you can watch it [here](#).

IMPORTANCE OF MOBILE TRACKING

With a significant shift in how consumers are interacting with mobile devices, it is important that these sales are tracked. Last month saw us record 27.5% of all traffic across the network originating from a smartphone, thus underlining the potential lost revenue from not doing so. Reasons for adding mobile tracking include:

Fairly rewarding affiliates – if you are not tracking sales through mobile devices, affiliates are losing out on a number of transactions they have driven. With 27.5% of traffic originating from smartphones, the size of this problem is considerable.

Not losing sales to competitors - affiliates are likely to promote advertisers that have mobile tracking in place over those that don't. Affiliate Window has a 'mobile enabled' notification as a clear visual indicator to affiliates about which advertisers are optimised. Without tracking mobile activity you could be losing a significant volume of mobile traffic to your competitors.

Smoother customer journeys – if mobile tracking is not in place, we will re-direct traffic through a mobile device to the desktop version of the site. Customer journeys across a mobile device will not be consistent and conversion rates will be negatively impacted

Benefit from additional affiliate activity – certain affiliates are over indexing in terms of mobile activity. By tracking mobile sales you are likely to benefit from additional activity from sites such as [Redu Inc](#) and [Shopstyle](#). Additionally this will allow for smoother customer journeys through cashback sites and cut down on the volume of untracked transaction claims. If advertisers have a mobile optimised site that does not include affiliate tracking, a disruptive message will be served to advise members to purchase on a desktop instead.

Gain a greater understanding of m-commerce journeys - With mobile tracking enabled, advertisers are able to track mobile activity more accurately. This data can be broken down more precisely to indicate specific handset performance, which could be tied back to specific mobile affiliate activity.

TRACKING REQUIREMENTS

There are different tracking requirements depending on the status of an advertiser's mobile site:

Does not have a mobile optimised site – for advertisers that do not have a mobile optimised site, the desktop version of the site will be displayed when visiting from a mobile device. All sales will track as usual and the device the transaction took place on will be reported on. Conversion rates through smartphones are likely to be considerably lower when landing on the desktop version of the site.

Has a responsive site – tracking does not need to be added to the advertiser’s site. The device being used by the consumer is automatically detected and the page loads accordingly. All sales through a mobile device will track and the correct device reported on.

Has a mobile site on an m. domain – when an advertiser has a dedicated mobile site that sits on an m. domain, it is essential for affiliate tracking to be added to the mobile version of the site. Failure to add this will mean that sales will not track and affiliates will not be rewarded for the sales they have driven through smartphones. Advertisers will also lose out on the benefits outlined in the previous section.

***Please note – if you have a mobile optimised site that does not have affiliate tracking in place, we will direct any smartphone tracking to the desktop version of the site to ensure these sales track. Conversion rates will be affected when directing mobile visitors to the desktop version of the site. We will direct affiliate traffic back to the mobile version of the site as soon as tracking has been added**

CROSS DEVICE TRACKING

With customer journeys becoming increasingly complex, they are not only spanning multiple channels, they cross multiple devices. A report from [Statista](#) indicated that at the end of 2014 the average number of devices used by each consumer in the UK was 3.1. This is expected to increase further this year. As a result it is extremely important to be able to track activity across devices. For years there has been a lot of talk about attribution but if you are not able to track across devices, how are you supposed to get the full picture when it comes to effectively attributing sales?

We have recently launched our cross device tracking solution and this has a number of benefits for advertisers and affiliates:

Fairly reward sales – the modern consumer is not restricted to the confines of a single device. Customer journeys will span multiple devices and previously, it has not been possible to fairly reward affiliates that have driven sales that have converted on another device. Typically for advertisers that are tracking cross device sales we see a 5-10% increase in transactions.

Previously affiliates would not have been rewarded for these sales

Additional insights – as well as being able to understand the increase in sales that can be attributed to the affiliate channel, cross device tracking allows for additional insights to be gained. For example, are multi-device customers typically spending more? Are customer journeys longer than we thought? Smartphones typically convert at a much poorer rate than tablets and desktop but do they play a more significant role as influencers? What impact does time of day have on the devices that are being used?

These insights will not only help you make more informed decisions within the affiliate channel, it can also aide decision making across other channels too.

If you are interested in finding out more about our cross tracking solution, please [get in touch](#).

SHOWCASING SUCCESSFUL MOBILE PERFORMANCE

Each month we take a look at the top advertisers and publishers in terms of mobile performance. We look at the share of sales they have generated from smartphones and tablets combined to provide an overall indication of mobile activity. Typically the advertisers and publishers that feature in the top 20 lists have in excess of 50% of all sales originating from a mobile device.

Smartphones offer a diverse picture, a broad church of products and services that are doing well. Typically we see commoditised products such as CDs, books and DVDs, that don't require anything experiential in order to push the consumer into buying mode. They're low value, with key considerations being price and delivery rather than whether you feel confident buying via a different platform. Additionally we have services that may have a short shelf life or are readily accessed via email. Groupon and similar companies do extremely well on handsets.

Thirdly fast fashion is performing well on smartphones. With young people more likely to purchase through mobile devices it is not surprising to see advertisers appealing to this demographic performing well across smartphones. Tickets also overindex as do fast food chains such as Dominos.

Flip to tablets and we see a much more consistent set of champions, typically older with higher basket values, the demographic a perfect fit with the iPad. This includes brands such as Boden, Fat Face and the White Company.

Publishers too offer a real mixture of activity within mobile. Taking the same principle as advertisers and applying the percentage of sales generated by the top 500 affiliates on the network throws up some interesting and quite encouraging signs of growth.

It's worth pointing out that the major affiliates are absent from the higher echelons of such a list. Whilst there's no doubt voucher, loyalty and cashback sites are pulling in sizeable numbers of sales across multiple devices they have yet to come close to our top by percentage.

In fact the most successful ones are generating sales exclusively across smartphones and tablets.

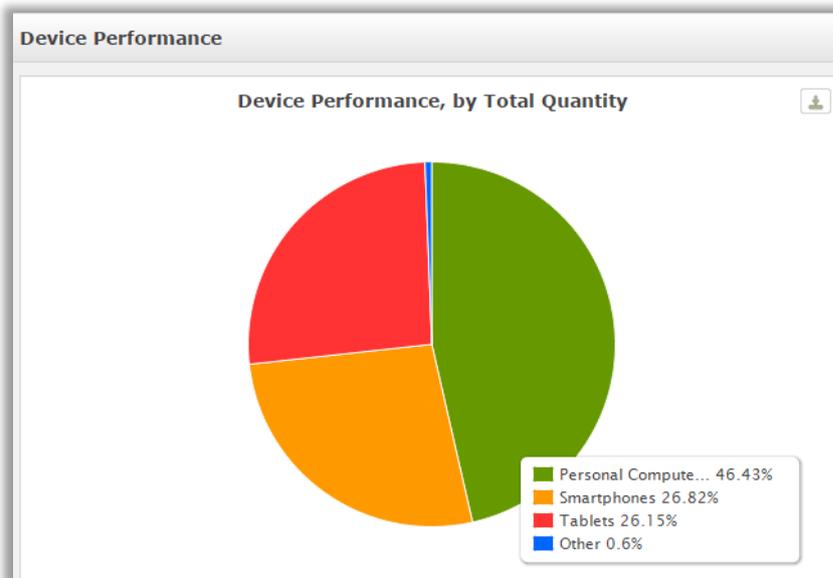
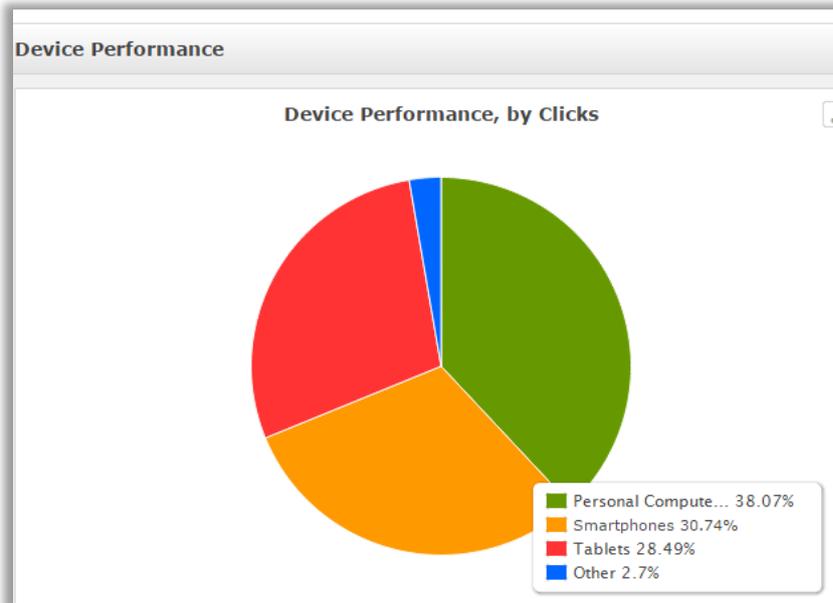
First off we have companies like Tapjoy who are more lead generation focused, monetising mobile gaming with deals and offers that lead to bonuses or top ups.

Aside from that, one of the most encouraging trends has been the rise of the fashion mobile affiliate. One particular affiliate has built a series of apps designed to appeal to fashion, clothing and accessories niches. They are generating a significant volume of clicks and sales from mobile devices, well overindexing in terms of what we typically see through the channel.

We showcase the top performing advertisers and affiliates in our monthly mobile tracker which is included in our newsletter each month. Details of how to sign up to receive these are included at the end of this document.

MOBILE REPORTING

With the rise of m-commerce it has been important to provide device performance reports to both advertisers and affiliates. This allows for better understanding of the devices that are driving traffic and generating sales. With the reports available in the interface it is possible to understand the performance of each device and how this compares across your affiliate/advertiser base.



To provide more in depth analysis of mobile performance and benchmarking, additional reports have been built using our business intelligence tool, Tableau. This allows mobile performance to be looked at for a programme, a range of programmes across a sector or certain affiliates across a number of sectors. The metrics that can be explored are range from the share of traffic and sales across each device to the conversion rates and average order values.

Cross device insight pieces – with an increasing number of customer journeys now spanning multiple devices it is important to understand how these devices are interacted with.

Cross device tracking has enabled us to gain greater insight into the true length of customer journeys through the channel. Additionally it has allowed us to understand how consumers are interacting with mobile devices and provide insights into devices as influencers as well as converters.

You can read our cross device insights [here](#) and [here](#).

For regular mobile updates from the strategy team please [sign up](#) to receive our monthly newsletter