



# Mobile & shopping on demand

How performance marketing helps  
mobile redraw the path to purchase



## Mobile performance marketing channels are transforming the experience of shopping in Europe, inviting connected consumers to redefine the purchase journey, and playing havoc with the traditional rules of shopping behaviour.

These are amongst the key findings to emerge from Performance Marketing from First Impression to Last Click, the latest study from the Tradedoubler Insight Unit, which reveals how performance marketing has become a central pillar of the mobile experience for those who purchase online and also own a smartphone.

Almost a third of connected consumers say their smartphone has changed the way they shop – and that change involves a big shift towards performance marketing channels. Data for Tradedoubler’s mobile performance network shows 187% growth in order value between the first quarter of 2012 and the first quarter of 2013.

### HOW WE HAVE DEFINED PERFORMANCE MARKETING CHANNELS



Price comparison



Voucher codes / coupons



Daily deals / group buying



Loyalty & rewards



Cashback

The role of performance marketing channels is itself expanding. It’s been assumed in the past that these action-oriented websites offering price comparisons, voucher codes, daily deals, loyalty rewards and cashback, are used only in the final stages of a consumer’s purchase journey. Instead, the Tradedoubler study shows performance marketing playing a lead role throughout the research and consideration phases, beginning at the very moment when inspiration strikes.

The importance of mobile performance marketing for consumers is reflected in the strong take-up of performance marketing apps: 52% of connected consumers have at least one such app on their handset, with 32% using price comparison apps alone, and 23% using apps to receive and download vouchers and coupons.

### OVER HALF OF SMARTPHONE OWNERS USE PERFORMANCE MARKETING APPS



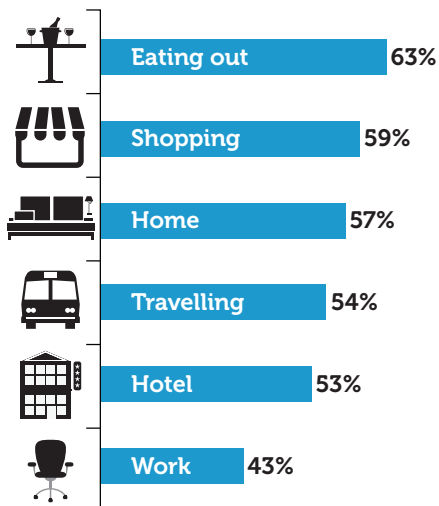
### At home on the home screen

The constantly connected nature of mobile phones fits perfectly with this new role for performance marketing; since mobile enables consumers to jump directly from inspiration to purchase wherever and whenever they choose. Over half (58%) of connected consumers describe their smartphones as “valuable research tools”, and in most situations a mobile will be the first device they turn to for researching purchases.

### Always-on consumers

Smartphone-owning consumers are "always on", online not just at work and at home but when travelling, eating out and shopping; not just at their desk but on the sofa in front of the TV. Even at work, with a PC directly in front of them, it's their phone that these consumers choose to take them online almost half of the time.

#### MOBILES ARE BECOMING THE FIRST STOP FOR ONLINE BROWSING

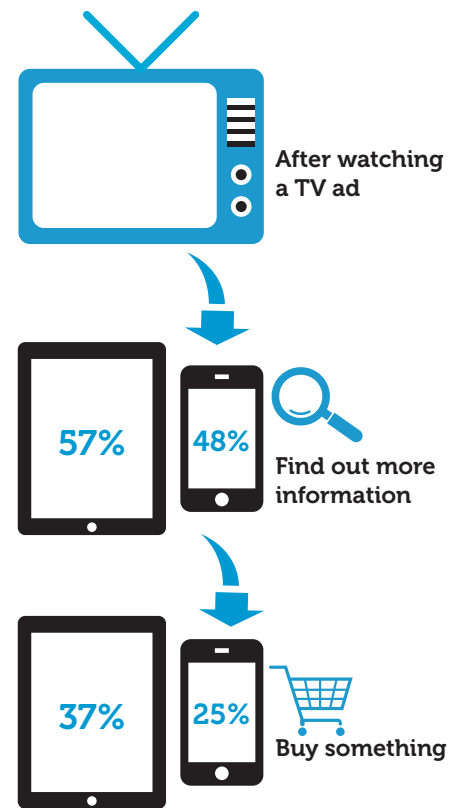


Locations where people prefer to browse the internet using their mobile

In any one of these scenarios, mobile performance marketing channels such as price comparison and voucher sites offer a shortcut to acting on inspiration and getting the information that consumers need to take action. This truncated purchase journey can take place very quickly – indeed it often takes place without leaving the sofa in front of the TV. Almost half of

connected consumers have used a mobile to find out more about a product they have seen advertised on TV, and a quarter have used it to buy that product. Amongst owners of tablets, a device that seems to have a natural home on the sofa, 57% have looked up product information after seeing a TV ad – and 37% have gone on to complete a purchase in front of the TV.

#### DEVICE USE WHILE WATCHING TV



In this way, the immediate nature of mobile devices is creating powerful new opportunities for TV advertisers, provided they can support their campaigns with relevant, action-oriented activity on mobile platforms. Mobiles and tablets enable viewers to act on the inspiration that TV provides without the need to interrupt their viewing experience by going to fetch a laptop – and as such they are quickly becoming crucial to advertisers seeking to maximise the returns of their TV advertising budget.

Mobile performance marketing channels have a central role to play when consumers are inspired to start researching: in all, 92% of connected consumers have researched potential purchases on performance marketing sites, 44% of those planning a holiday use a performance marketing site to help them choose where to go – and amongst fashion shoppers, 62% rate performance marketing channels as “very useful” when planning their purchases. And with pay-for-performance models guaranteeing ROI, mobile performance channels have a key role to play in ensuring that advertisers get full value from expensive brand activity.

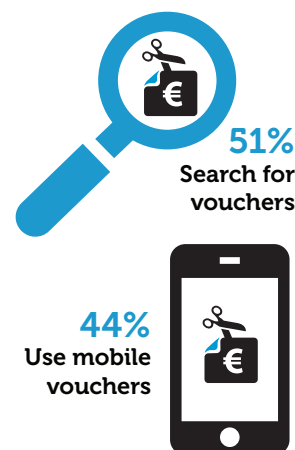
### Mobile showrooming strategies

For retailers, mastering mobile is equally important for protecting and growing revenues. Price comparison sites and location-based alerts allow rival retailers and pure-play online suppliers to bid to hijack sales with aggressive mobile strategies, often with considerable success. Of those using their mobile when shopping in a store, 70% do so to look for a better price elsewhere; 60% of in-store mobile researchers will go on to buy a product online rather than in the store in question, 55% will pay their money to a rival retailer where they found a better price through their phone, and 44% will complete the purchase through an online channel using their mobile.

### MOBILE AND PERFORMANCE MARKETING ARE DISRUPTING SHOPPING ON THE HIGH STREET



### MOBILE VOUCHERS ATTRACT AND CONVERT CUSTOMERS IN STORE

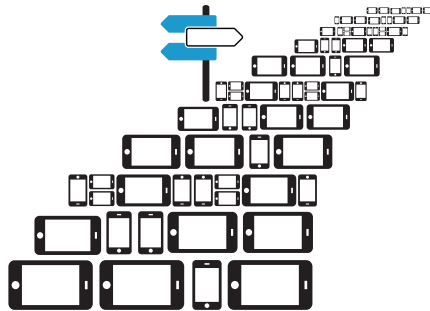


The only effective solution for retailers is to construct offensive and defensive mobile strategies of their own, ensuring competitiveness on price and a presence on key performance marketing channels that can reassure shoppers that they are already getting the best deal. Vouchers offer a powerful channel both for locking in conversions and drawing shoppers to store in the first place: 51% look to download a voucher on an item they have seen in the store – and 44% use vouchers they have already received on their phones. Increasingly these vouchers can be redeemed in-person, in-store as well as through a mobile or via a PC, delivering instant satisfaction for shoppers and driving increased sales across multiple channels. Delivering relevant vouchers to shoppers using techniques such as location-based targeting can provide a powerful means of “pulling” them to a nearby store.

### Ever-present influence

With increasing numbers of consumers ready to unleash mobile's disruptive potential, a mobile performance marketing strategy is becoming an essential element in the marketing mix. The "always-on" nature of mobile means that momentary inspiration can be converted into meaningful research and purchase, wherever that inspiration strikes.

#### MOBILE IS POPULAR AT EVERY STEP ALONG THE PATH TO PURCHASE



The retailer with a beautifully equipped store and knowledgeable sales staff still risks his shoppers walking out of the door if he doesn't have a presence on the voucher code sites they are using. The marketer with the expensive ad might draw attention to her brand – but she could seriously undermine her ROI if she lacks a presence on the trusted price comparison sites her audience members turn to for research. Today's shoppers turn to performance marketing channels in the earliest stages of their purchase journeys, when first thinking about which brands and products to buy – and the mobile on their desk or coffee table, in their pocket or in their handbag, is increasingly the first channel they use.

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