

A close-up photograph of a person's hands holding a silver smartphone. The person has pink nail polish and is wearing a gold ring on their left hand. The phone is held over a laptop keyboard, which is partially visible. The background is a wooden desk and a person wearing a blue and white striped shirt. The overall lighting is warm and focused on the hands and phone.

# Mobile Commerce: A Success Saga

# What Mobile Commerce is About?

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“Any type of commerce being made via mobile phones, handheld computers, and similar wireless technology”

– ***Internet.com***

“A retail outlet in your customer’s pocket”

– ***Wikipedia***

# The Growth of Mobile Commerce in US and UK

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**58%**

of **US retail transactions** in Q3 2015 occurred via a mobile app.

**51%**

of **UK retail sales** in Q4 2015 happened via Smartphones and Tablets.

# Mobile Commerce Sales Estimate

Expected Sales in **2016** will be **\$123.13 billion**.

In **2020**, sales will reach **\$242.08 billion** that are nearby double of the sales in 2016.

## US Retail Mcommerce Sales, 2014-2020

	2014	2015	2016	2017	2018	2019	2020
<b>Retail mcommerce sales (billions)</b>	<b>\$56.67</b>	<b>\$88.53</b>	<b>\$123.13</b>	<b>\$151.11</b>	<b>\$178.27</b>	<b>\$208.58</b>	<b>\$242.08</b>
—% change	35.9%	56.2%	39.1%	22.7%	18.0%	17.0%	16.1%
—% of retail ecommerce sales	19.0%	26.0%	32.0%	35.0%	37.0%	39.0%	41.0%
—% of total retail sales	1.2%	1.9%	2.6%	3.0%	3.5%	4.0%	4.5%

*Note: includes products or services ordered using the internet via mobile devices, regardless of the method of payment or fulfillment; includes sales on tablets; excludes travel and event ticket sales*

*Source: eMarketer, Feb 2016*

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

# Reasons Why mCommerce is Getting Bigger?

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Mobile phones available at reasonable prices.



Smartphone screen size arises.



24x7 Internet connectivity.



Doing things make easy at anytime and anywhere.



Enable mobile payment.



Assured with greater security.



Mobile advertisers have large audiences.

A conceptual image for mobile commerce. It features a gold-colored metal shopping cart in the foreground on the right. In the background, a white shopping bag with a white handle is visible, and a red tag with the word 'SALE' in white capital letters is attached to the bag. The background is a soft-focus blue and purple gradient. A dark grey horizontal bar is overlaid across the middle of the image, containing the text 'Outcomes of the MOBILE COMMERCE' in white, bold, sans-serif font.

# Outcomes of the **MOBILE COMMERCE**

# The Burning Market of Smartphones Buyers

Retailers continuously optimize their sites to support mobile shopping.

That turns eCommerce into mobile commerce.

Global smartphone sales volume will reach **\$2.05 billion** by **2020**.

Global handset sales volume - by segment



# Mobile vs. Desktop Traffic

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During May 2014 to May 2015, **mobile traffic** outdoes desktop traffic by **5%**.

## **US Ecommerce Site Traffic Share, by Device, May 2014 & May 2015**

*% of total on the Branding Brand platform*

	<b>May 2014</b>	<b>May 2015</b>
<b>Mobile</b>	<b>48%</b>	<b>53%</b>
—Smartphone	31%	39%
—Tablet	17%	14%
<b>Desktop</b>	<b>52%</b>	<b>47%</b>

*Note: represents activity on 50 US mobile sites via the Branding Brand platform, broader industry metrics may vary*

*Source: Branding Brand, "Mobile Commerce Index: May 2015," June 2, 2015*

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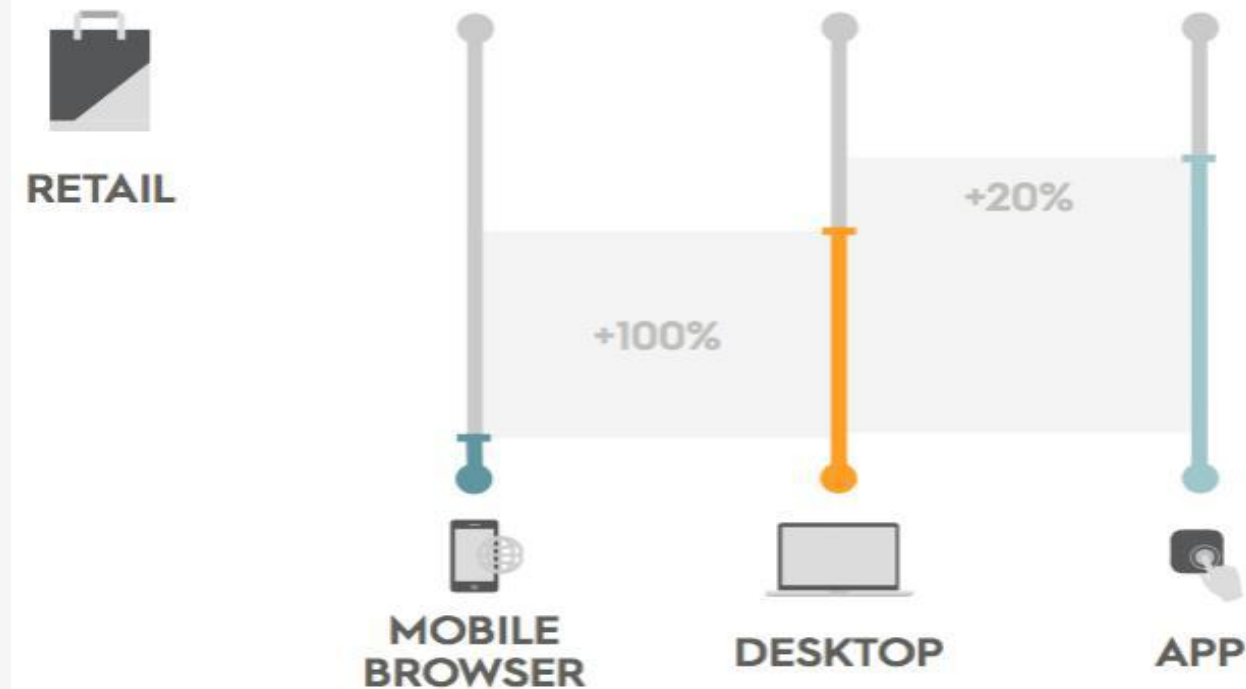
[www.eMarketer.com](http://www.eMarketer.com)



# Conversion Rate

## Mobile Browser vs. Desktop vs. App

As per the report published in Q4 2015, Mobile Commerce App conversion rates were **20% higher** than desktop and **120% higher** than mobile browsers.



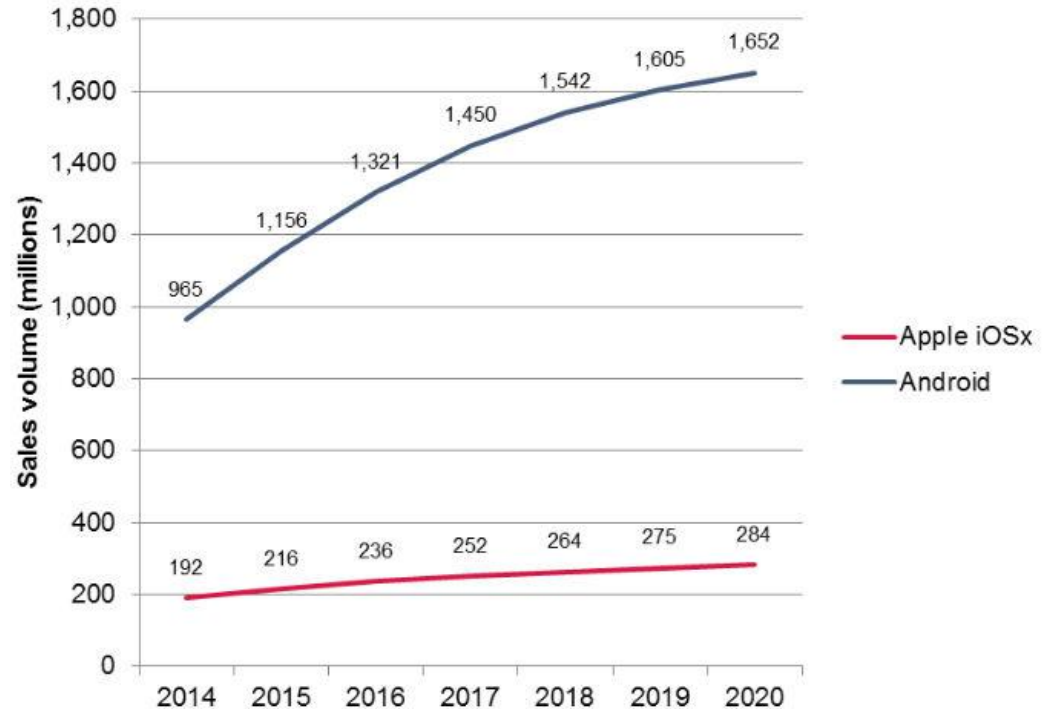
# iOS vs. Android sales

Android-based smartphones will dominate the mCommerce market.

It surpasses Apple iOS devices.

**Sales of Android-based devices will reach \$1652 million by 2020.**

Android vs. Apple iOS sales volumes



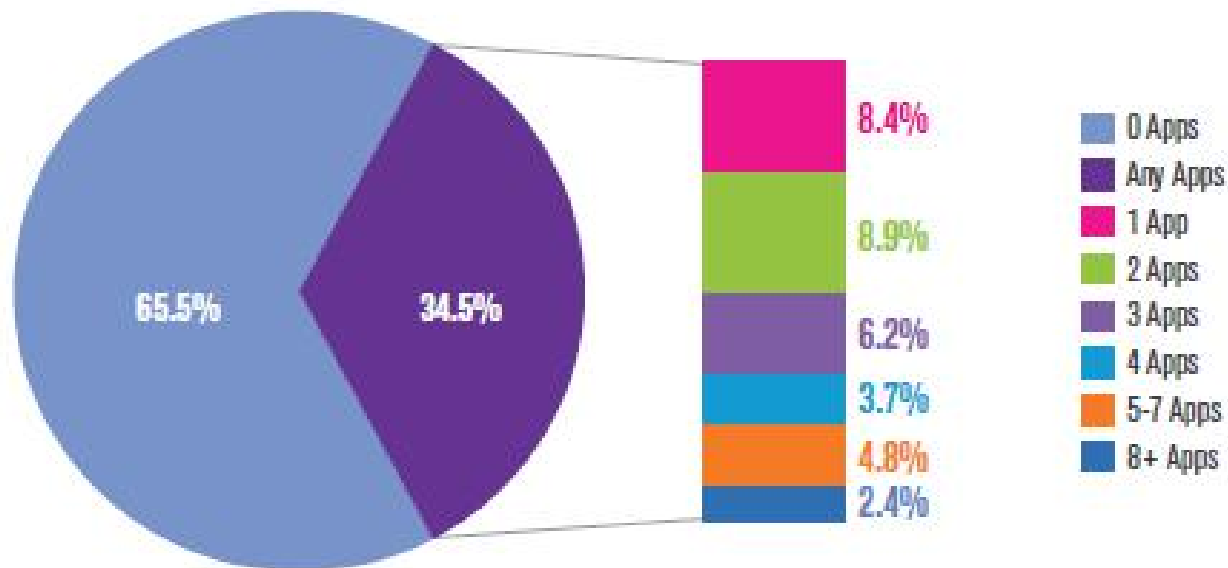
# APP Usage in the US

**More than a third** of all U.S. smartphone users download at least **one app** per month.

The **average** smartphone user downloads **three apps** per month.

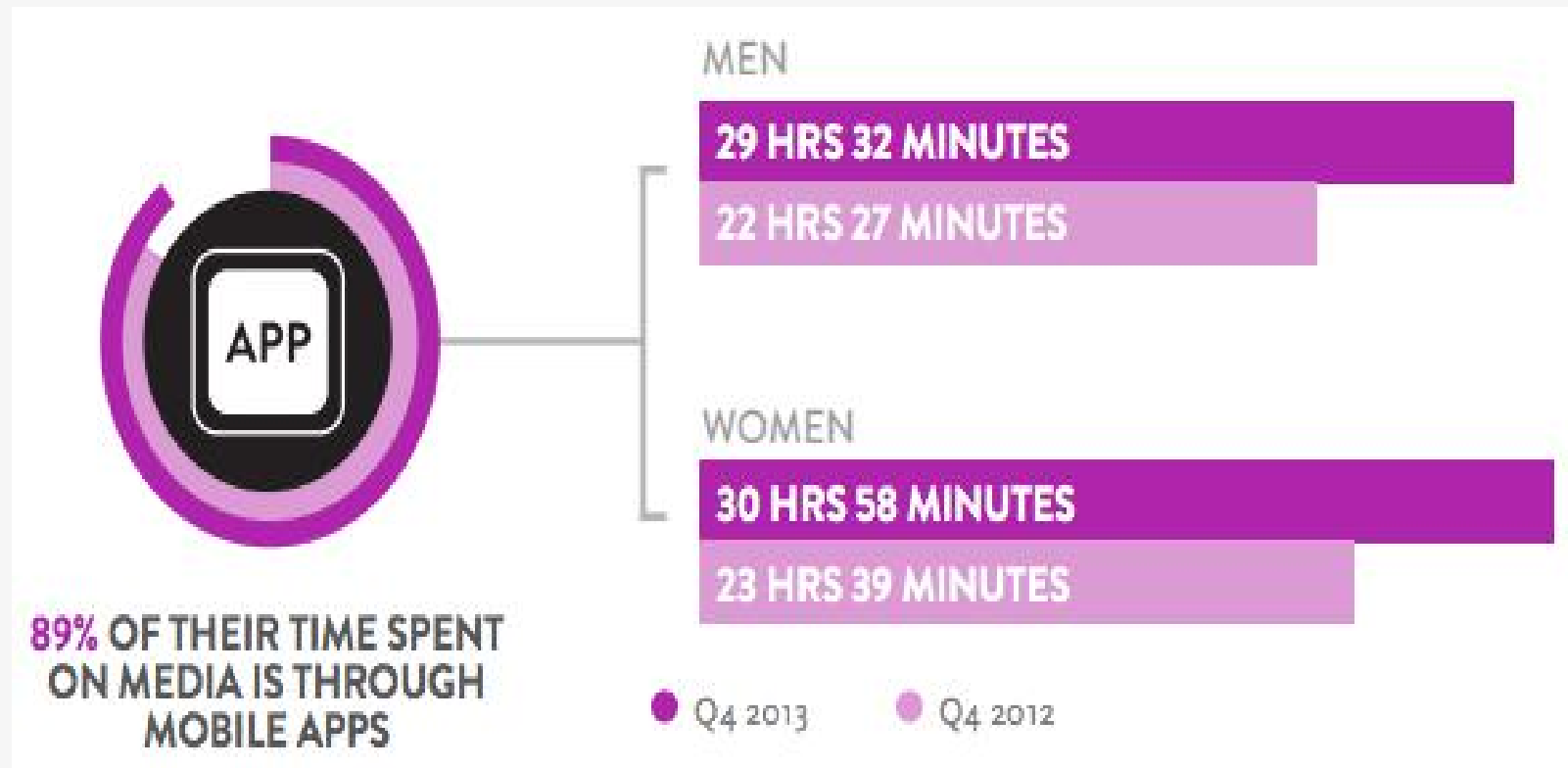
## Smartphone Users' Number of App Downloads Per Month

Source: comScore MobiLens, U.S., Age 18+, 3 Month Average Ending June 2014



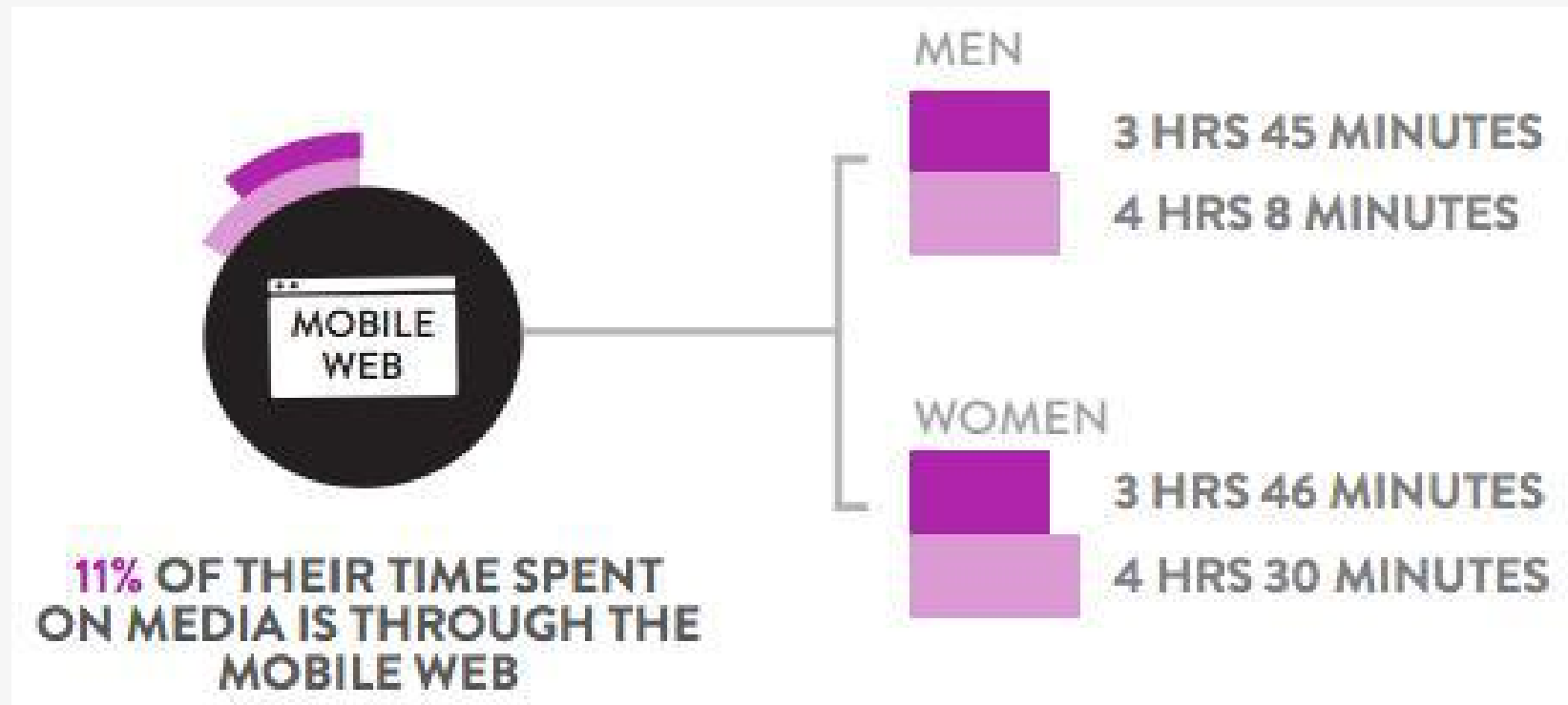
# Time Spent on Mobile App

Smartphone users spent **89% of their time** on media via **mobile apps** such as social network, email and news.



# Time Spent on Mobile Web

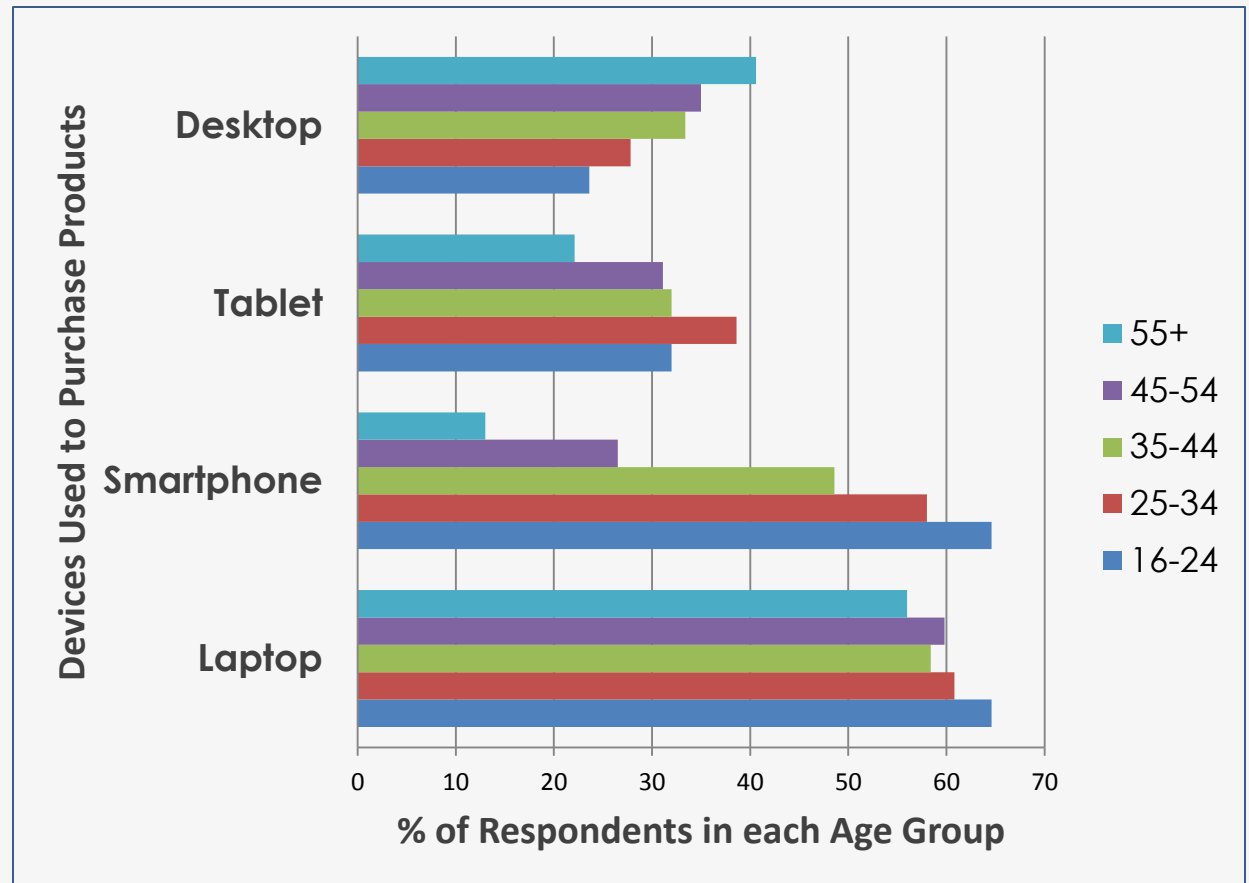
Smartphone users spent **11% of their time** on media via **mobile web**.



# Shopping Behaviours on Different Ages

Youngsters **ages 16 to 24** are making most **purchases via smartphone**.

Older buyers shop with desktops and tablets. Ages **25 to 34** comes next in purchasing products using **mobiles**.



# Usage of Smartphones Before Shopping

How Female shoppers use their smartphones while shopping in store?

More than three-quarters (**79%**) of **US female** beauty buyers **used** their **mobile phone** while shopping in-store to browse user reviews.

## Reasons that US Female Beauty Buyers Use Their Mobile Phone While Shopping In-Store, Feb 2016

% of respondents

### User reviews

79%

### Investigating price

73%

### Investigating a range of color choices

55%

### Looking for a more detailed product description

55%

### Interested in whether the product is right for their skin type or tone

54%

*Note: ages 18-44 who purchased skincare or makeup products in the past 3 months and who use their mobile phone while shopping in-store*  
*Source: Facebook IQ, "US Beauty Path to Purchase" as cited in company blog, June 6, 2016*

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www.eMarketer.com

# The Rise of Mobile Payment

Younger adults in china make almost all payments via mobile phones.

Users ages between 21 to 29 make over **40%** of all **mobile payment** in **China**.

The next vast majority of the mobile payment user base comes at ages 30s.

## Mobile Payment\* User Share in China, by Age, March 2016

% of total



Note: n=2,000 living in tier 1 & 2 cities; average age=31; numbers may not add up to 100% due to rounding; \*includes bill payment, mcommerce, mobile financial purchases, offline payments (e.g., QR code at retail location), online-to-offline (O2O) purchases (e.g., food delivery, group buying, ride hailing), etc.

Source: Ipsos, "Mobile Payment Report," May 30, 2016

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www.eMarketer.com



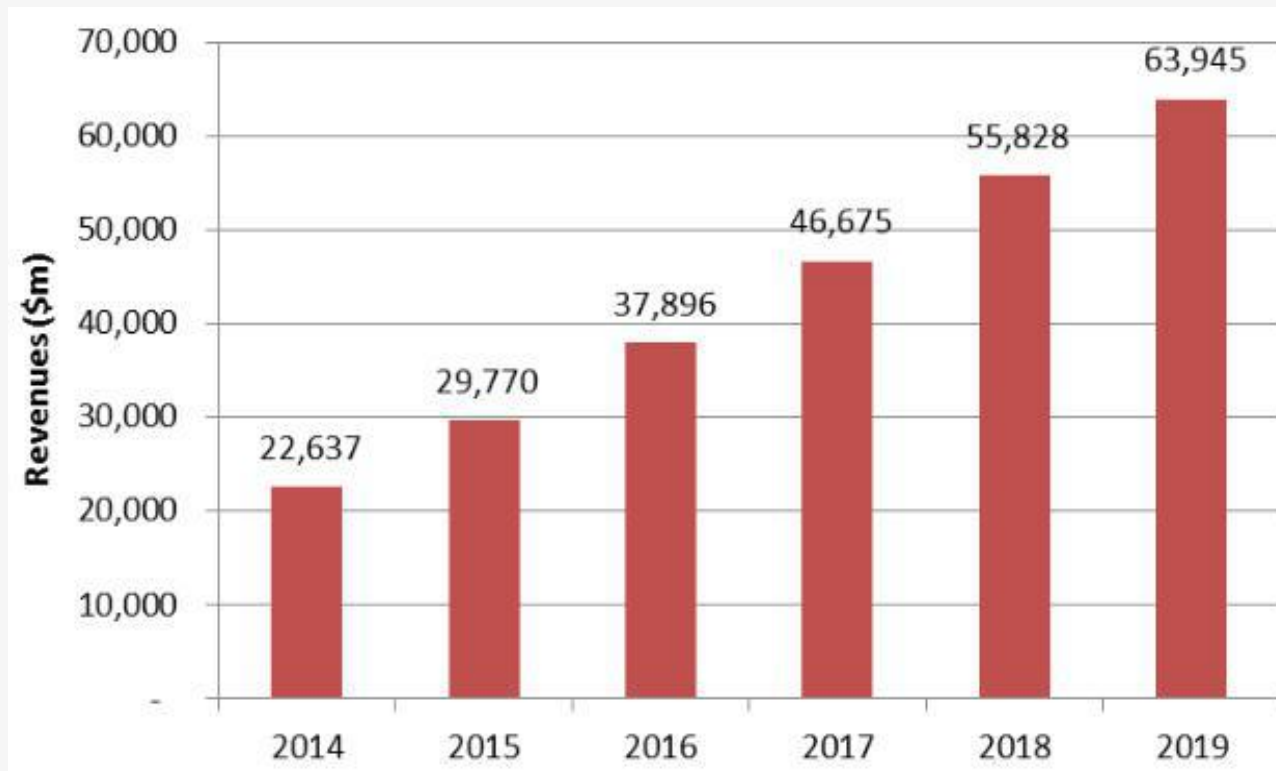
A hand is pointing upwards towards a central text banner. The background is a stylized world map with glowing blue outlines of continents, set against a blue gradient. The map is divided into six rounded rectangular sections by a grid of faint lines. The central banner is dark grey with white text.

# The Space of **Mobile Commerce**

# Mobile Internet Advertising will be the Mobile First

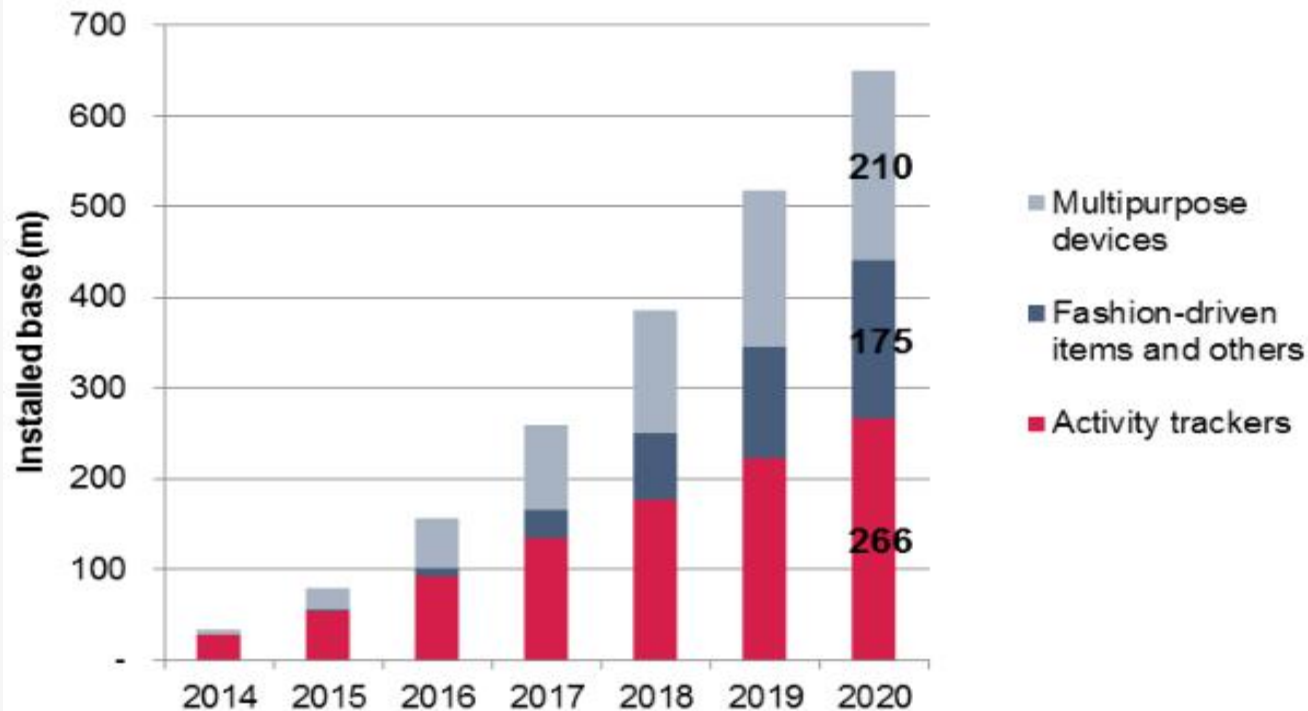
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As per Ovum's mobile Internet advertising forecasts, global revenue increases from **\$22.64 billion** in **2014** to **\$63.94 billion** by **2019**.



# Wearables will be the Next Platform for M-commerce

The no. of **wearable devices** will reach **650 million** by **2020**.





*After seeing the growth of E-Commerce and Mobile Commerce, what about Physical Retail?*

**Does physical retail store go dead?**

# Thoughts on Physical Retail

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What **Dunkin' Brand**, a leading fast-food restaurant in America has to say about Physical Retail?



**"Physical retail will still exist, but it will need a good reason to exist."**

**- Dunkin' Brands**

How retailers stay ahead of the game.



**"The winning retailers will spend more time looking at the windshield and less time looking at the rear-view mirror."**

**- Dunkin' Brands**

## A bit About MobiCommerce

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MobiCommerce is providing mobile commerce solution for Magento as well as PrestaShop store.

Creating iOS and Android apps become very easy without writing a single line of coding.

100+ businesses have joined hands with us.

***View your entire store on mobile for FREE.***

# Thanks

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We'd like to hear your thoughts on the same!

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