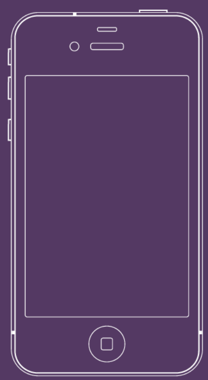

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MOBILE SHOPPING BEHAVIOUR

Key drivers and barriers affecting the adoption of smartphones & mCommerce

webcredible
customer experience design

Contents

Executive summary

The strong growth in the number of smartphone users accessing online retail sites presents both an opportunity and a threat for retailers. On the one hand, mobile access provides more opportunities to engage with consumers. On the other, it empowers consumers to easily research and compare between competitors at the point of sale, a scenario which might lead a prospective customer to make the final purchase at a competing brand.

It's paramount then that for retailers to succeed they need to design and implement the right mobile strategy, incorporating a robust user experience that truly delivers consumer needs with the requirements of the brand and business.

This report outlines key insights into smartphone user behaviour in relation to mCommerce. It is based on years of industry experience and results from a bespoke ethnographic user research study designed to discover the underlying natural behaviours of users. This enables us to identify the trends that brands need to understand to build great mobile user experiences. Although user research is specific to each business and user group, some key behavioural patterns are widespread across multiple segments of society and diverse industries, and those are the behaviours presented in this report.

Key Findings

There are a set of trends and findings our research unearthed that are integral to kicking off your mobile user experience strategy:

1. Natural mobile usage

Smartphones have created a society of 'constantly connected consumers', but this doesn't mean consumers are always willing or able to fill their dead time with mobile based activities or that all spare time has become "mobile economic time". Our research showed there are two distinct points in time where mobile usage is most naturally and frequently adopted:

- **Commuting –** Commuting doesn't require any major involvement so consumers are able to engage in secondary activities such as interacting with their phones whilst 'on the go'. Users dip in and out of mobile activities in situations where they feel the need to keep themselves demonstratively engaged. Therefore, mobile interactions are likely to happen in shorter time spans, be interrupted several times, postponed until later, and some abandoned.
- **At home –** Consumers engage heavily with their smartphones at home, although usually in this setting it is as a secondary activity, for instance whilst watching TV. Typically, activities include short tasks that don't require a great level of concentration. As such, mobile touchpoints need to take this into account and

design for users who are likely to act on impulse, on something that catches their attention momentarily. Once you have captured your audience speed is of the essence, any activity which takes too long is likely to be abandoned.

Both of these scenarios, which are when users are most likely to engage in mCommerce, should be prioritised when creating a mobile proposition.

2. Drivers for mobile engagement

A number of distinct activity types were found as key drivers to engaging in mCommerce, including:

- **Daydreaming -** Consumers are likely to browse, explore and daydream through their phones, a user might start looking for their next pair of shoes, or where to eat at the weekend. Also because action can be taken instantly users tend to start looking at products and services that they might not normally find the time to research. It is worth noting here that consumers don't often complete these types of transactions straight away, but they may revisit where they left off, if prompted or otherwise. Prompts can be automated reminders or user generated, such as saving a webpage to favourites or emailing a link back to oneself – both are behaviours we saw in our study.

- **Quick wins -** Consumers engage in more focused, quick tasks to get things done and out of the way. For example, purchasing a lottery ticket or fast, repeat purchases.

- **Help me now –** Users often carried out activities directly related with meeting their needs while being on the go. For example, finding the nearest coffee shop or looking at a tube map

- **Constant monitoring -** Activities for which constant monitoring gave users an advantage among others were also important, such as following bids on e-bay, placing in-play bets, or trading.

- **Instant gratification -** Our participants favoured sites where they had already signed up and given their card details. That they didn't have to fill in forms and enter payment details from their phones was important.

These drivers provide a key starting point, and at least one should be taken into consideration when creating a mobile user experience strategy.

3. Barrier to mobile adoption

Our research also showed a number of barriers across the user types that prevented or reduced engagement with mobile activities and mCommerce.

- **Security issues –** Most of our participants worried about the possibility of having their phones hacked or infected by viruses; issues that could lead to their personal details or card details being intercepted. They felt more exposed than when using their PC's.

- **Screen size limitations –** The size of the screen makes it difficult to appreciate the detail of some products, such as clothes and furniture. Consequently, many consumers are reluctant to complete purchases of such items if they were unfamiliar with them.

- **Connectivity –** The study identified a significant level of reluctance amongst users due to a worry that something might go wrong in the middle of a transaction. Consumers are less likely to engage in transactions that involve payment while on the go because of the fear of "have I paid or haven't I?"

4. Deciding what to develop

There is a growing debate within businesses as to what services to invest in; should it be a mobile website, an app, new technologies such as QR codes, or everything. There were two main observations from our research relating to this issue:

- **Low uptake of retail apps -** There was a low adoption of retailers' apps throughout our research. Instead, users would either browse the internet, through URLs, or use search engines to find what they were looking for. If a site was too slow or wouldn't perform well on their phones, they would navigate away to one of their competitors.

- **Low uptake of QR codes/bar codes -** None of the participants in our study were frequent users of apps with barcode or QR code readers. Even though the majority had tested them and liked the possibility of scanning products to compare prices, it wasn't something they remembered to do when high street shopping.

Strategic & design considerations

The above drivers, barriers & trends have specific implications and a role to play when designing mobile digital solutions. By understanding these underlying mobile behaviours, brands can harness the insight and develop much more successful mobile solutions.

- **Consider the scenario –** Make it accessible during down periods, whether that's on the way to work or at home. A user might be researching a holiday whilst commuting and be unable to finish or complete the task. However, if prompted they might come back to it later and complete their booking. Your mobile solutions should be set up to facilitate this eventuality.

- **Hit on a key driver –** The key drivers showed the natural activities and behaviours of users engaging in mCommerce. To be successful, apps and mobile websites need to take at least one of these into consideration. The most important element was integrating into your customers' routines and being able to cater for short, interrupted interactions.

- **Eliminate issues –** Reassure your users that engaging in mobile activities are safe and secure. Develop your touchpoints to be used and remain useful even when there are connections problems.

- **Remembering apps -** Most of our participants had difficulties remembering more than a few apps installed on their phones. When asking about their reasons for choosing an app to download, a few mentioned recommendations from friends and family, but for many it was the description, ratings, and position on the list.

- **Needs to be part of a routine -** The apps most frequently used by our participants were the ones that had become part of their routines, like finding their way, or checking train times. Also found to be popular were apps that enabled users to carry out helpful tasks that were both short and to the point. For example, ordering food, or eliminating steps from a lengthy process.

- **Look to the future –** Technologies such as NFC (near field communication) will be coming into general circulation soon. Brands that harness such technologies will gain a short term competitive advantage. Other future trends are out there to be discovered, analysing findings from consumer insights stats and user research can foster innovation and adoption of new trends quicker and more successfully.

- **Think social –** The key target demographic of tomorrow will be demanding more socially enabled shopping experiences, and view retail in a completely different manner. Brands need to really understand and incorporate social into their mobile strategies to make the most of this trend.

- **Business & Industry context –** This report focuses on mCommerce as one of the largest areas of potential outside information and games. Further research into your specific target customers and industry will be needed to refine the needs and requirements for your mobile touchpoints.

- **Multichannel –** A great mobile experience on its own is no longer enough to ensure sales, return visits, or brand loyalty. Brands need to ensure their mobile assets sit within a robust multichannel customer experience strategy to really yield the best results.

1.0 Introduction

1.1 The mobile market

In the 3 month average period ending May 2011, 13.5 million users across the five leading European markets (France, Germany, Italy, Spain and the UK), accessed online retail sites. In the EU5 region, the number of smartphone users accessing online retail sites has increased by 80% over the past year. This growth is even stronger in the UK, with a 163% increase in smartphone users accessing retail sites since May 2010 *(According to the comScore MobiLens "Understand mobile trends and consumer behaviour" (comScore Inc. (NASDAQ:SCOR) service)*

This strong growth in traffic from mobile devices represents both an opportunity and a threat for retailers. While mobile access offers retailers more occasions to engage with customers, it also provides customers the ability to easily compare prices at competing retailers at the point of sale. Retailers must get a firm handle on mobile shopping behaviour if they are to effectively navigate this changing environment, only those retailers that meet their customers' demands and needs will be able to compete successfully and survive in their market space.

1.2 Current state of mCommerce

Many high profile retailers are failing to meet the holistic needs of the mobile shopper. In our multichannel retail report published at the end of 2011, there was an extremely low to average score for mobile and cross-channel user experience. Some brands have still to develop a mobile optimised site, while others have opted for a mobile app instead with, more often than not, very low download rates. All this suggests that retailers need to develop a multichannel strategy that factors in the new and growing requirements of the customer and the potential of mCommerce.

A thorough understanding then of smartphone users' attitudes towards shopping on the go is paramount in order to design and implement the right multichannel retail experience strategy. Moving away from statistics and percentages, this report aims to contribute a rich picture of smartphone user's behaviour to not just embed a need for a mobile strategy but to help shape what it should look like.

1.3 Methodology

To really understand consumer behaviours, we need to ask and understand a few important questions:

- How are consumers using their smartphones to support shopping on a day to day basis?

- When are they more likely to interact with their phones?
- Which activities do they engage in more frequently?
- What sorts of transactions are more likely to be completed using a phone?

In order to answer these questions, and others, we conducted an ethnographic study with 15 smartphone users, based on diary studies and in depth interviews. Participants were instructed to make an entry on their diaries every time they would engage in any activity using their smartphone that supports shopping at any stage of the journey, and not necessarily just when completing transactions. As such, we could gather instant updates as to their whereabouts and their mobile shopping related activities. Participants were also encouraged to post their diary entries online, by blogging or tweeting as often as possible. We completed the research with in-depth interviews conducted after the participants had kept a diary of the shopping-related activities on their smartphones for 3 weeks.

Finally, our findings were analysed by leading mobile user experience consultants and segmented into 4 key areas for brands to utilise:

- Natural mobile usage showing the key time and place where mCommerce will most naturally be engaged by users
- Top drivers to mobile engagement
- Key barriers to adoption of mCommerce
- Looking at the app vs. mobile website debate

To conclude, we have provided a number of recommendations on how to use the information from the report and refresh or kick-start a great mobile user experience strategy.

2.0 Natural mobile usage

When coming up with ideas for the design of new digital solutions it's always important to research the context in which technology is used; mobile solutions in particular pose an extra challenge. In principle a mobile can be used anywhere and with their ever increasing functionality smartphones are becoming invaluable to our day to day lives. In practice however, there are situations and times of the day when consumers are more likely to interact with their smartphones than others.

Our study shows that the scenarios in which consumers frequently engage in diverse activities with their smartphones are: while commuting, and during their down time.

2.1 Wasted time, out and about

One of the most common occaisions for using a smartphone for m-commerce related activities was during what could be classed as wasted time, i.e. while commuting, waiting in queues, and lunching alone.

"If I don't have a 'Metro' I do something with my phone. You don't want to stare at people" (Sully, 43)

"While waiting for the bus sometimes something comes to my mind and I go and have a browse on my phone" (Holly, 28)

"While I am on the bus I read the news on my phone, or I browse things"

"Sometimes on the train, if I am following any items on ebay, I keep an eye on them" (Stephen)

Being on the move, a period considered wasted time, is an opportunity for a set of occasioned activities. Because the main purpose of "getting from A to B" does not require any involvement (unless driving of course), when on the go users engage in a set of secondary activities. Secondary activities include reading the news, consuming other media and, using smartphones.

Three interaction types were found in our study to drive mobile use while on the go:

- **Ad-hoc and situational -** Most of the secondary activities in which the commuter takes part in are performed in an ad-hoc, situational manner, and will take place as long as they do not impede or deviate from their main target. As such, mobile engagement happens in short spurts.

- **Being engaged -** Performing secondary activities is not a goal in itself, nor however is it just a way of passing the time - they serve as a way to sustain minimal involvement. Consumers use smartphones the same way they read a newspaper or magazine, in situations where they feel the need to keep themselves demonstratively engaged and doing something, so as not to waste time or be alone.

- **Multitasking -** Consumers multitask. We are likely to check our stop while playing with our phone and drinking a coffee. None of these tasks is bound to have our full, undivided attention for more than a few seconds.

Mobile solutions need to support and make the most of these short, interrupted interactions. Although the user is on the train to get to work and not to book a holiday, they might come back to it later and complete their booking if it has been easy for them to find what they were looking for. If your competitors do this better you are likely to lose your customer. These aspects need to be considered when designing apps and mobile sites to complement and extend the online retail experience, or any other mobile experience.

2.2 At home, during down time

Our study also found that an equally popular time for using smartphones was at home as a secondary activity, for example:

“When I am on the sofa and don’t feel like getting up and switching on my PC”

“In bed before going to sleep I might think of something I want have a look at, but I wouldn’t bother getting up and switching on my computer”

“When I wake up, I sometimes have a little browse before getting up. I might look at the TopShop catalogue, things like that”

“On Sunday afternoon, I was with my sister sitting on the sofa and watching telly, and we had a look at the train times to Cardiff as she was travelling the day after”

As when moving around, the activities our participants would engage from their phones when at home are not lengthy tasks and they don’t require their full attention. With mobile activities consumers act on impulse, a sudden need to find something, know something or shop for something; the mobile web lets us act on these impulses. However, for more ‘important’ tasks our research did show that a lot of consumers would go to a laptop or desktop computer instead. In some situations users switch to continue a task they started on a mobile, alternatively some users would never start the activity on a mobile in the first place and would wait for the appropriate time when they could focus on the task.

The development of smartphones has evolved and enabled users to become “constantly connected consumers”. This doesn’t mean that customers are always willing or able to make the most of their “dead time” and devote their full attention to the litany of activities that could be potentially be carried out from a smartphone. Instead, it is more likely that users might dip in and out of these activities now and then, often carrying out more than two at the same time while doing something else.

3.0 Drivers for mobile engagement

Our research has shown that consumers are more likely to engage in secondary activities that require a level of attention for a relatively short period of time and can be abandoned but easily picked up again. But what sorts of activities suit this level of sporadic, short lived engagement? What types of tasks are customers most compelled to undertake in this kind of environment?

Our research identified a number of natural behaviours surrounding mobile that drive customers to engage in mCommerce activities, here are the top findings with additional insights from some of our research participants.

3.1 Daydreaming

Daydreaming (i.e. the act of exploring or searching without real purpose) was a key activity and natural thought process exposed during our research.

Lisa, one of our participants, was telling us how she was browsing the TopShop and Jaeger catalogue while having a coffee in a coffee shop. She then remembered it was her sister's birthday and thought about what she would like to get her… A necklace seemed a good idea. She had a look around, and found a nice one from Pandora at an online shop at an affordable price. They might be cheaper in New York though. She is flying there next week so she will have a look if she remembers".

Another of our participants, Colleen, told us:

"I often check my emails on my way to work. I go through my emails from Groupon to see if there is anything I might be interested in. Yesterday, I had an offer for a Spa in Memphis. I would love to go to Memphis, if only I had the money to afford the tickets! But it is nice to have offers from other places, in case you ever go there! You can always check. This place looked really nice, and affordable. It was definitely a good offer."

Consumers often use smartphones to browse websites looking for products, reading offers, occupying their time and keeping themselves engaged. Something comes to mind and they follow that thought to where it takes them.

Often however, consumers don't pursue these transactions any further. They might get distracted with something else, or have to interrupt a task for a number or reasons. Often however, consumers do have the intention to research them further later on. Sangeetha was telling us:

"I sometimes email myself things that I find interesting, so I remember later and have a proper look and maybe buy them from my laptop"

Another participant told us:

"I browse the offers from Groupon on my phone on my way to work. I only keep the ones that I find interesting, and I print them out later at the office".

3.2 Quick wins

Our research showed that consumers chose quick, short tasks when using smartphones with a desire to get things out of the way and better manage their down time.

"I managed to find and reserve a slot for picking up my son's shoes while on my way to the shops in the car. My husband was driving and my son was occupied so I had a bit of time for doing it" (Sangeetha)

"I get a lot done on the go now I have a smartphone. It's a life saver. When I get home I can concentrate on my family and I don't have to remember so many things that need to be done later". (Stephen)

"Last week, I bought my lottery ticket while training my football team, in the middle of a sports field. I had forgotten to do it earlier and decided to give it a go from my iPhone. It was brilliant!" (Stephen)

"This morning, my son was having problems because I forgot to get his homework printed at work. I decided we needed a printer and on my way to work I found a good deal on my mobile and ordered it"

"I decided to replace the lights in my office with LCD lights, since I know long term I can save so much money. But they are not cheap! I spent a long time researching what to buy, then found them on e-bay and bought them from my phone on my way to work when the bid ending alert came up" (Stephen).

3.3 Help me now

Tasks directly related to being on the go and meeting users' needs were also popular. For example: getting directions, finding the nearest pharmacy or even locating the best events happening in and around your postcode.

"I am a photographer for an estate agent, so I am always moving around. I don't need to print maps or directions anymore, so it's OK I'm less organised. I use "four square" and find my nearest coffee shop where I can take a break or work for a bit between visits"

"I was out and about but I didn't really want to miss the match. I remembered this app (sky sports one). I downloaded it, and checked if there were any pubs where I could watch the match in the area. I found one and spent the afternoon watching my favourite team win!"

3.4 Constant monitoring

Activities for which constant monitoring gives us an advantage among others, such as following bids on e-bay, placing live bets, trading, or even playing lengthy strategy games are also areas where consumers are very likely to engage in mobile activity.

“I usually follow several bids on e-bay. The e-bay app is simply great! I can do it now while I am on the train, and wait until the last decisive minutes to place my bids”

“Down the pub while watching football I place bets from my phone”

3.5 Instant gratification

Consumers tend to perform short transactions on their smartphones. Users worry about filling forms and don’t like performing lengthy processes on their mobiles. On the go, mobile activities are prone to get interrupted, reception can be poor, plus there is the added issue of often being pressed for time. Our research participants favoured sites where they had already signed up, had their card details stored, or had a digital wallet. Only rarely would they happily enter their details on their phones for the first time whilst out and about.

“I am happy to make a short, quick purchase, such as a train ticket, a cinema ticket, the lottery”

“I do my regular shopping, like shampoo and things. They already have my details so it’s very straight forward”.

“I browse for things on the phone and do my research, but then when I am going to buy it I do it at home”.

Research showed us that clothes, shoes, and other items that require the buyer to have a detailed look before buying them are still less likely to be bought from a phone, unless the user has seen them already.

“You want to see them before buying them, or at least, on your computer you can see it bigger and better. On your phone, it is difficult to get a feeling of the textures, the colours, the fabrics.”

“I wouldn’t buy clothes, unless I have seen something in a store so I already know what I want, then I buy it online from my iPhone.”

4.0 Barriers to mCommerce adoption

There are a number of reoccurring issues that arose during our research study that acted as a barrier to engaging with smartphones for certain tasks.

“I wouldn’t do it with this phone. I wouldn’t enter my details on it. It has been doing weird things lately so I am sure it has all sorts of bugs. I think it is very risky”

“At home it feels safe, but on the phone it doesn’t”.

“I was going to buy a laptop. I did browse on the phone, but I didn’t buy it there. I only reserved it. I would be worried about paying that sort of money entering my card details on the phone, so I paid it at the store”.

“I would only do it with a well-known company such as M&S or John Lewis”.

“What happens if you lose connection while you go through a tunnel? I would worry about having paid twice”

4.1 Security

Most of our participants, especially the ones using Android and Blackberry phones were concerned about security issues, such as having their phones hacked, or infected with viruses that could lead to their personal details being intercepted or stolen. At home or at work consumers have become familiar with the software and technology in place to protect them and their technology. With smartphones though, users still feel more exposed and lack this sort of recognisable protection.

4.2 Safety

Others were more concerned about feeling unsafe when entering card details on the phone in a public place, such as a café, the train, the street. This is one of the reasons why they favoured apps and mobile sites where their details were already stored.

4.3 Screen size

The size of the screen of most smartphones makes it difficult to appreciate the look and feel of products. With very small images it is hard to make a choice between fabrics, or to grasp the dimensions of furniture, cars, toys, or bulky items in general. Unless it is a product that consumers are already familiar with, or a product for which the looks are not a factor to consider, users are a bit reluctant to complete the purchase from their phones.

4.4 Connectivity

Many research participants reported how sometimes their smartphones were too slow and they felt at risk to be let down in the middle of a transaction. For some, it wasn't worth trying to embark on a lengthy purchase process very likely to be interrupted at some point because of loss of reception or poor connectivity. iPhone users were the less worried about this sort of issue, while blackberry users reported the most problems, mainly regarding speed issues and frozen screens.

5.0 Deciding what to develop

Fast becoming a highly disputed conundrum in business goes thusly: should we develop an app, a mobile website or both? And what other gadgets and new trends do you need to follow to make the most of your mobile touchpoints?

5.1 Apps

One of our participants had as many as 183 apps on his iPhone. Most of them had somewhere between 5 to 15 apps they would use regularly, and would often delete the ones that were not so useful.

The following were the apps most frequently used by our participants:

Vouchers and discounts apps

- Wahanda app
- Groupon app
- Vouchercloud app
- Nectar app
- Social Living app
- Toptable app

Retail apps (on-line retailers)

- Amazon app
- eBay app

Journey planning, way finding, and location sensitive apps

- Journey Pro app
- Tube Map app
- Free Sat Nav app
- Google places app
- Google maps app
- Foursquare app

Around me app

SkyNews Football app

Booking apps (tickets, tables)

The train line app

Toptable app

Time Out app

Take away ordering:

Just eat app

Others:

Pizza express app

Street Car app

The apps that are frequently used are the ones that have successfully become part of a users' routine. For example:

- Finding your way using Google maps instead of using an A-Z
- Checking train times on a phone instead of using a desktop/laptop for the same task
- Reading the news on a phone instead of picking up a copy of Metro
- Searching for an itinerary or places to stop during a journey on your phone, eliminating the need to print anything before you leave.
- Avoiding talking to an operator and simplifying the process

All these apps were built for a specific purpose and they might save their users time, a journey, a phone call, etc. They provide for a specific need, streamlining the service, and that is why they are successful. For example, 'Street Car' users, downloading and using their app means that they no longer need to make a phone call to book a car, lock it, unlock it, reserve extra time, etc. It appeals instantly to their customers since it removed steps from the buying process and speeds it up.

Another example that illustrates this time saving element is the Pizza Express app. This app allows their users to pay from their phones. However, it fails to give them instant access to their invoices on their phones, so the advantage of using it versus paying in the traditional manner is not so significant. We predict this app will be dropped quite quickly by users. Indeed, one of our participants thought it was pointless to pay from your phone when you still have to call your waitress and wait for your bill. For this participant, the perfect Pizza Express app would allow him to get his bill and pay from his phone, avoiding lengthy waiting times and not having to speak to a soul. This simple change would transform the Pizza Express app.

The relationship between retailers and apps is very different. According to the participants in our study the only retail apps they frequented were Amazon and e-bay, and it's easy to see why. Amazons' app is brilliant in that it simplifies the buying process, eliminating unnecessary steps and removing the need to enter personal and payment details once signed in. eBay's app is also a great - It allows you to place bids on the go and gives you alerts allowing for constant monitoring, very attractive features for an online auction.

5.2 Mobile websites vs. apps

Should retailers go out and make an app instantly? Not necessarily. Most of our participants didn't use retailers' apps to support their shopping related activities at all.

- Consumers are more likely to use the browser on their phone to Google what they were looking for, and then access retailers' mobile optimised sites. If those sites were not optimised for mobile use and didn't perform well on their phones, they would simply navigate away from the page and look somewhere else.
- For activities like browsing, mobile sites are the solution that better supports natural behaviour, and also the favoured by all of our participants.
- Successful apps are either designed for entertainment, or, as we have seen above, they enable their users to carry out useful tasks that are both short, to the point and aren't left to be used sporadically.

Now that smartphones are mainstream, a website optimised for mobile use has become a must have for any retailer or business. An app on the other hand presents a different offering altogether, but can be very successful if it becomes the first port of call for customers using their mobiles.

What is needed for an app to become well known and frequently used?

- We have seen that the most popular apps among the participants in our study offer a clear benefit to their users, by for example, helping them to save time by automating a time consuming process or eliminating steps and interactions.
- However, we have also seen that most of our participants had difficulties remembering more than a few apps installed in their phones.
- Those that had more than a few apps had adopted some sort of filling system, grouping apps in categories and subcategories, either using standard labels or

labelling them themselves. Even then many users found it hard to find the app they wanted.

When asked about their reasons for choosing an app to download, a few mentioned recommendations from friends and family, but for many it was the description, ratings and position on the list. In many cases our participants didn't know the companies behind the apps so the things mentioned above were more important to their decision process.

Some participants had downloaded apps from retailers following links in emails prompting them to do so in exchange for a voucher, or a discount. However, if once downloaded the app didn't prove to be useful, they would soon delete it.

It seems then that a challenge for any app is to get incorporated into users' routines, so it is used frequently and not forgotten and discarded.

5.3 Barcode readers, QR codes...

None of the participants in our study were frequent users of apps with barcode readers. They might have downloaded one or two to try, or had come across the reader feature because it was part of an app they would normally use, such as eBay. However, more often than not it had failed to impress them and even though they would describe the potential as very interesting and stating that the possibility of scanning a product to compare prices in different retailers could be really useful, it wasn't something that they would systematically do. Our research showed that most consumers have played with barcode apps at home, scanning a few items and checking their prices online, but when out and about shopping, many wouldn't remember they could use the barcode reader in their phones to compare prices at the point of sale.

One of our participants had tried to do her weekly shopping using the Tesco app and scanning her groceries, but she gave up after a while as she found going through the cupboards to scan the products she needed too time consuming.

As for Quick Response (QR) codes, the future seems even less encouraging. Most of our participants didn't know what they were or their function. When presented with one from a perfume ad in a magazine, they would recall vaguely having seen it before, without registering the call to action.

The ones that did know what a QR code was, said that they did not normally feel compelled to scan them, and most of them were not even sure they could do it from their phones without installing any additional software.

6.0 Conclusion & recommendations

During our study we have seen the way in which consumers are increasingly incorporating the use of their smartphone into their shopping attitudes. By undertaking an in-depth ethnographic study, we can understand not just what is happening in mCommerce but also why. Utilising this information, mobile touchpoints can be better designed to deliver something of value to their intended audiences, businesses are more likely to gain from successful innovation, and brands will deliver higher levels of customer experience.

By looking at the natural times and places that users engage in mCommerce, the drivers that encourage mobile engagement and the barriers that prevent it, we have a number of recommendations that brands and business should utilise when looking at their mobile propositions:

- **Consider the scenario –** Make your app or website accessible during down periods, whether that's on the way to work or at home. A user might be on the train to get to work and not really concentrating on booking a holiday, they might come back to it later and complete their booking if they have found what they are looking for. Your mobile solutions should be set up to facilitate this minimum level of concentration and the 'I'll finish it later' mentality.

- **Hit on a key driver –** The key drivers showed the natural activities and behaviours of users engaging in mCommerce. To be successful, apps and mobile websites need to take at least one of these into consideration, and the most important element is integrating your app into your customers' routines and being able to cater for short, interrupted interactions.

- **Eliminate issues –** Reassure your users that engaging in mobile activities are safe and secure, develop your touchpoints to be used and remain useful when there are connections problems.

- **Remembering apps -** Most of our participants had difficulties remembering more than a few apps installed in their phones. When asking about their reasons for choosing an app to download, a few mentioned recommendations from friends and family, but for many it was the description, ratings, and position on the list. Develop a way to get customers to come back to your app, even if they aren't thinking of making a purchase make sure you can keep your app at the front of their minds.

- **Make it really useful -** The apps most frequently used by our participants were the ones that had become part of how they tackled a problem on the go, like finding their way, or checking train times, followed by those apps that enable users to carry out useful tasks that are both short and to the point. For example, ordering food, or avoiding having to make a phone call, or eliminating steps from a lengthy process.

- **Look to the future –** Trends Technology such as NFC is coming into general circulation and the brands that harness this will gain a short term competitive advantage. Analysing and working with findings from user research can really help foster innovation that delivers much higher levels of ROI.

- **Think social –** the key target demographic of tomorrow will be demanding more socially enabled shopping experiences, and view retail as a whole in a completely different manner. Brands need to really understand and incorporate social into their mobile strategies to make the most of this trend.

- **Business & Industry context –** This report focuses on mCommerce as it is one of the largest areas of potential outside of information and games, however, many of the findings relate to people's behaviours when interacting with their smartphones in general. As such, our findings don't have to be considered in a completely retail context and can be extrapolated to other markets. Nevertheless, it is important to identify your target customer segments and industry and then perform further research to further refine the needs and requirements your mobile strategy.

- **Multichannel customer experience –** A great mobile experience on its own is no longer enough to ensure sales, return visits, or brand loyalty. Brands need to ensure their mobile assets sit within a robust multichannel customer experience strategy to really yield the best results.

The goal for retailers, and all businesses and brands, is to develop a multichannel digital strategy that matches and exceeds their customers' expectations. Before contemplating designing a mobile version of your website, or launching your own app, it pays off to carry out thorough user research into the specific behaviours and needs of the users.

About Webcredible

Webcredible is a pioneering customer experience agency delivering strategy, research and design services. We create and perfect digital platforms and interfaces that deliver on the business challenges, goals & KPIs you're working to.

Working across websites, mobile devices, intranets and applications, our joined-up consultancy service creates a consistent user experience across all channels for our clients.

Webcredible was launched in 2003 as one of the first specialist user experience agencies. We're comprised of true digital and user experience experts & enthusiasts that are passionate about optimising customer experiences.

Our work results in measurable improvements, for example:

- 36% increase in made-to-order online revenues for Laura Ashley
- 50% reduction in mobile homepage drop-offs for Macmillan Cancer Support
- 44% conversion improvement and a 168% uplift in leads for Propertywide
- 80% increase in hotel 'look-to-book' conversions for Thomson

Highly respected in the digital community, Webcredible is regarded as one of the most collaborative, innovative and respected user experience agencies in the UK. 50+ people attend our training courses monthly, our 200+ research articles and reports have been re-published on 100s of websites and we receive 250,000 visitors to our website each month.

Clients include Asda, BBC, eBay, EDF Energy, Hotels.com, JD Sports, KPMG, Laura Ashley, Lloyds TSB, Moneysupermarket, National Lottery, Ofcom, RBS, Rolls-Royce, Sony, St John Ambulance, T-Mobile, Transport for London and World Health Organization.