

Deals and Product Search Features Drive Retail App Downloads for In-Store Shoppers

ARTICLE

Lucy Koch

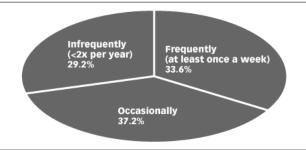
ore shoppers are utilizing omnichannel offerings to simplify their shopping experiences. For brands and retailers, offering consumers an obvious in-app value exchange can lead to downloads and encourage loyalty.

More than seven in 10 US mobile app users at least "occasionally" access apps while shopping in-store, according to a June 2019 survey from Pyments.com and LISNR. And more than a third of those respondents do so at least once a week.



How Often Do US Mobile App Users Use Apps While Shopping In-Store?

% of respondents, June 2019



Note: ages 18+ who use mobile apps while in-store Source: Pymnts.com and LISNR "Which Apps Do They Want?" Aug 5, 2019 249153 www.eMarketer.com

"The resistance we once saw to downloading retail apps seems to have subsided as retailers better integrated them with the brick-and-mortar shopping experience," said Andrew Lipsman, principal analyst at eMarketer. "Even recently, shoppers rarely downloaded retail apps beyond Amazon and eBay, but as multichannel merchants incorporated features like digital coupons, click-and-collect options and in-store wayfinding, apps have become central to physical shopping."

App downloads are important for retailers because the more time consumers spend in-app, the more likely they are to spend money. According to a January 2019 report from app analytics platform App Annie, time spent by US consumers in shopping apps and increasing digital sales had a strong positive correlation of 0.97 between Q1 2014 and Q3 2018.

One way to engage with US mobile app users is by offering coupons or product information while they're shopping in-store. According to a June 2019 survey from RIS News, seven in 10 US shoppers use a retailer's mobile app to check prices, product descriptions and in-stock availability.

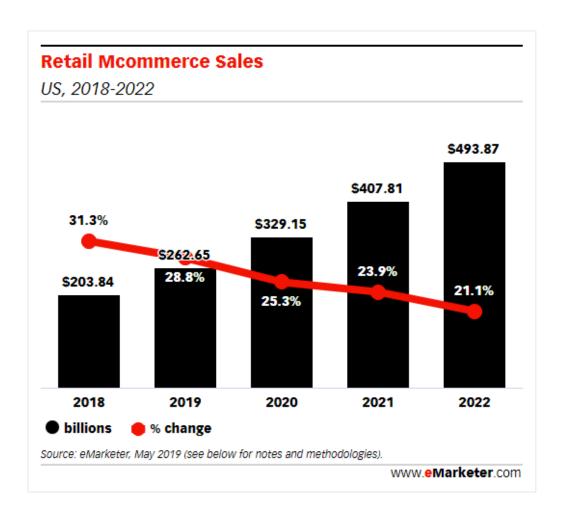
Similarly, Pyments.com and LISNR found that the top drivers of app downloads for mobile app users were coupons (87.6%), loyalty/rewards programs (79.7%) and product search features (56.7%).

"In order for retailers to warrant a place on customers' phones, they need to make sure they're reducing pain points in the shopping



process and providing enticing incentives," Lipsman said. "In the past, retailers tended to adopt an 'if you build it, they will come' mentality, but now, they're adding features and experiences needed to drive usage."

We forecast that US retail mcommerce sales will reach \$262.65 billion this year, up 28.8% from 2018. By 2020, that figure will increase to \$329.15 billion and account for nearly half (49.2%) of total US retail ecommerce sales.



To capitalize on mcommerce gains, retailers should appeal to consumers in-app by focusing on providing accurate, up-to-date product information and encouraging conversions with coupons or loyalty rewards programs.

