

Mobile Shopping Gains Are Likely to Stick in the Future

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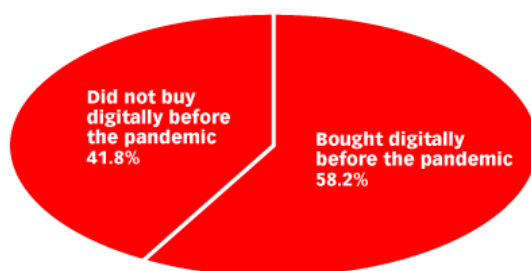
As lockdowns slowly lift in the US, retailers face a changed shopping landscape. With lingering fears over renewed outbreaks, many consumers are wary of returning to stores.

A [Morning Consult](#) survey conducted from June 9 to 11 found that just 35% of US adults would be comfortable going to a mall. Although that's double the percent of respondents who were comfortable at the end of April, it's a long way from a normal volume of shoppers returning to stores.

Moreover, discomfort with physical shopping has forced consumers to try ecommerce in new areas. Grocery shopping is a prime example. Over 40% of digital grocery shoppers during the pandemic never used online grocery shopping prior to the lockdown, according to a [Business Insider Intelligence](#) survey released in early April.

US Digital Grocery Buyers Who Bought Groceries Digitally Before the Coronavirus Pandemic, March 31, 2020

% of respondents



Note: n=402 ages 18+ who have bought groceries digitally (for delivery or pickup) during the coronavirus pandemic
Source: Business Insider Intelligence, "Coronavirus Consumer Survey," April 6, 2020

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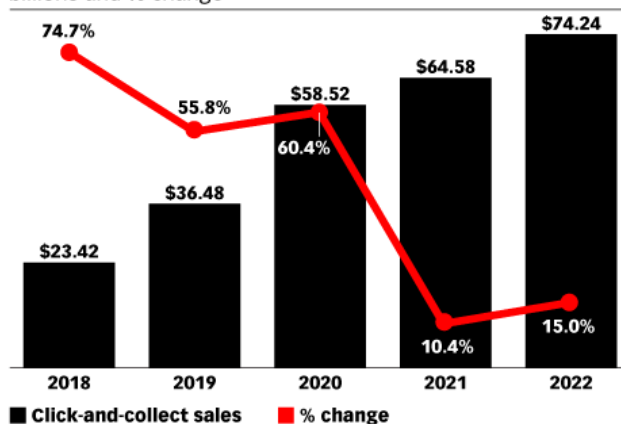
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Undoubtedly, many who bought digital groceries in the past increased the frequency of their orders and the sizes of their baskets. A separate study by [Aki Technologies](#) and [TapResearch](#) found that 68% of new grocery ecommerce shoppers would continue to shop online in the future.

The rush to ecommerce has also forced retailers to improve distribution and pickup options. Grocery delivery service Instacart alone hired 300,000 workers during lockdowns in March and April. And along with delivery, many retailers honed their curbside and click-and-collect services. As a result of these changes, we expect click-and-collect sales in the US to increase 60.4% in 2020, a massive \$22.04 billion rise over 2019.

US Click-and-Collect Sales, 2018-2022

billions and % change



■ Click-and-collect sales ■ % change

Note: includes products or services ordered using the internet (regardless of payment method) for pickup in a store or a locker in a retail or pickup hub location; excludes travel and event tickets, payments such as bill pay, taxes or money transfers, food services and drinking place sales, gambling and other vice good sales

Source: eMarketer, May 2020

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Increased digital shopping was a huge boon for companies with mobile apps geared toward mcommerce and click-and-collect options. “As COVID-19 kicked in, Google searches for the word 'curbside' shot up exponentially,” said Andy Norman, president of North America at customer engagement platform Mobiquity. “For anyone in retail, giving consumers the ability to order ahead, pay in-app and pick up orders curbside became pretty essential.”

[Adjust](#) and [Liftoff](#) published data last week that showed the cost of acquiring a retail mobile app user who made an initial purchase dropped by 50.6% globally, compared with April 2019. This was due in part to lower CPIs (costs per install), but also to greater consumer activity once the users were enrolled. In North America, CPIs actually rose 16.7% year over year, but conversion rates rose even more. In the US, the price to acquire a retail mobile app user who made a purchase dropped 75.2% in that timeframe.

We expect that the effects of the pandemic will accelerate long-term trends in mobile usage. Although some gains with mcommerce and other mobile activities will not last beyond quarantines, the baselines for mobile activities will be higher than they would have been otherwise.

Overall, we forecast US adults will spend 24 additional minutes on their mobile devices in 2020. In 2021, they'll add only 4 minutes—but the total of 4 hours, 22 minutes (4:22) will still be 28 minutes more than we had forecast for that year in November 2019.

Average Time Spent with Media in the US, 2018-2022					
<i>hrs:mins per day among population</i>					
	2018	2019	2020	2021	2022
Digital	6:20	6:43	7:31	7:32	7:38
—Mobile (nonvoice)	3:36	3:54	4:18	4:22	4:26
—Audio	1:08	1:15	1:15	1:20	1:22
—Social networks	0:45	0:47	0:53	0:53	0:53
—Video*	0:38	0:42	0:47	0:49	0:51
—Other	1:06	1:09	1:23	1:20	1:19
—Desktop/laptop**	1:57	1:54	2:00	1:54	1:52
—Video*	0:23	0:23	0:24	0:24	0:23
—Audio	0:07	0:07	0:07	0:07	0:07
—Social networks	0:08	0:06	0:06	0:06	0:05
—Other	1:19	1:18	1:23	1:18	1:17
—Other connected devices	0:47	0:56	1:13	1:16	1:20
TV***	3:42	3:30	3:49	3:36	3:24
Radio***	1:41	1:39	1:35	1:36	1:35
Print***	0:21	0:20	0:17	0:18	0:17
—Newspapers	0:12	0:11	0:09	0:10	0:09
—Magazines	0:09	0:09	0:08	0:08	0:08
Other traditional media	0:20	0:19	0:22	0:21	0:20
Total	12:24	12:30	13:35	13:23	13:15

*Note: ages 18+; time spent with each medium includes all time spent with that medium, regardless of multitasking; *excludes time spent with video via social networks; **includes all internet activities on desktop and laptop computers; ***excludes digital*

Source: eMarketer, April 2020

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Many of these new mobile behaviors, including mobile shopping, will remain steady as we fully return to pre-pandemic conditions in a year or

two.