



M-Commerce: The Complete Picture

*An Affiliate Window whitepaper on mobile marketing in the
Performance channel*

Third Edition, June 2013

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1.0 Introduction

Back in early 2011 we embarked on a project to fully understand the mobile opportunity within the performance channel. At the time, just over one percent of our sales were trickling through mobile handsets but it was a channel offering such huge opportunity and potential that we had faith in its ability to eventually deliver.

Since then it's fair to say we've been on a mobile journey, watching as the landscape shifted, changed and developed with m-commerce establishing itself as a topic close to our hearts. We released our first ever network mobile commerce findings in a white paper back in November 2011 and followed this up with the second edition in June 2012. This third edition, a year after our last, writes the latest chapter in the mobile performance story, a channel which is changing the digital eco-system in such dramatic ways on an almost daily basis.

1.1 The opportunity

Our latest mobile figures indicate that 22% of traffic and 18% of sales are now delivered through mobile handset and tablet devices. When we launched our first white paper we were recording just 3.5% of all traffic and 5% of sales coming through the same platforms.

Our data references millions of sales and clicks recorded every month from more than 1,400 retailers' and advertisers' affiliate marketing campaigns, drawn from sectors including retail, travel, telecoms, utilities and finance.

The staggering increase we've witnessed has been down to a sharp rise in smartphone and tablet penetration, coupled with growing consumer confidence in shopping through mobile devices. With more advanced devices and better connectivity, shopping habits are shifting. Consumers are not just using these devices for researching their purchases, they are actually transacting. It seems with every new technological development so the initial consumer barrier to embrace them is lowered, allowing for faster adoption: mobile seems to epitomise this.

It is important to note there are differences in how consumers are interacting with mobile devices. Tablets are fast becoming an alternative to desktops with people browsing the internet while at home. Mobile handsets on the other hand are always with consumers, whether this is sitting in front of the television or out and about in a sociable or shopping environment. They could be used to simply find directions to the nearest store or to compare prices before making a purchase.

Additionally the barriers to online access are eroding as retailers increasingly offer free in-store Wi-Fi; also underlining the ability of mobile to both interrupt and enhance consumer behaviour.

The emergence of smaller screen tablets such as the iPad mini has blurred the boundaries somewhat with these devices commonly used at home just like the iPad, while easier to transport like a phone.

For advertisers working within the performance channel it is imperative to understand the motivation behind the consumer visiting their site through a mobile device and be in a position to take advantage of this traffic. Whether the consumer is looking to find the nearest store, or trying to

purchase on their phone, the user journey, first and foremost, needs to be optimised. Beyond the basics of optimisation and tracking, there is a wealth of opportunities for advertisers not only to increase sales online through m-commerce, but also to drive consumers in store within a multichannel environment.

In this document we look at mobile commerce as a whole, but also separate out mobile handsets from tablet devices to give a true understanding of the performance of each. We want to showcase some core findings and success stories. We also want to explore the mobile eco-system, company focus for 2013 into 2014 and new publisher opportunities.

We have divided this information into the following chapters:

- **Mobile growth trends**
- **A round up of mobile statistics across the network**
- **The growth of Android vs. iPhone**
- **Advertiser and publisher case studies**
- **The role mobile plays over holiday periods**
- **Mobile tracking**
- **Publisher opportunities**

2.0 Mobile growth trends

With smartphone penetration and tablet adoption increasingly exponentially month on month, consumers are changing the way they are accessing the internet. With this shift in consumer behaviour, so advertisers are increasing their spend across mobile advertising. From 2011 to 2012 spend increased by a massive 148%, reaching £526m last year¹. Here are some additional statistics in brief across the digital landscape.

2.1 Penetration/adoption

Smartphone penetration increased significantly throughout 2012. Figures from ComScore² indicated UK take-up stood at 62.3% by the end of 2012. In the same period, tablet adoption increased further, with almost one in three UK adults owning a tablet device. It is widely anticipated that tablet devices will outsell desktops this year for the first time ever.

2.2 Mobile display

Mobile display and video advertising grew 121% to £150m in 2012. Advertisers are increasingly exploring the opportunities mobile ad formats are presenting. Rich content allows advertisers to produce engaging ads and are taking full advantage of mobile capabilities.

2.3 Mobile search

Mobile search is where the majority of advertising money is currently spent, accounting for 69% of total mobile ad spend. In addition, mobile search now makes up approximately a quarter of total search spend and receives 29% of all traffic according to Kenshoo³.

Increasing demand for search through tablets and mobile handsets has seen click prices increase. Cost per click through tablet devices is now on a par with desktop while handset CPCs are just behind.

Aaron Goldman, Chief Marketing Officer at Kenshoo, believes mobile phone ads have a lower CPC than computers, and tablets provide UK advertisers with the opportunity to maximise clicks, by reallocating spend to mobile and using advanced key performance indicators (KPIs) to track success.

He said: "Advertisers should be assessing the value of mobile clicks in alternative ways because you can't expect a phone to deliver the same rate of direct online sales as devices with bigger screens that are typically used in the home.

"It's imperative to track and optimise conversion events like phone calls, app downloads, check-ins, website registrations, store locators. These are KPIs we should be using to measure the effectiveness of phone clicks."

¹ <http://www.guardian.co.uk/media/2013/apr/10/mobile-advertising-triples-record-levels>

² http://www.comscore.com/Insights/Press_Releases/2012/12/EU5_Smartphone_Penetration_Reaches_55_Percent_in_October_2012

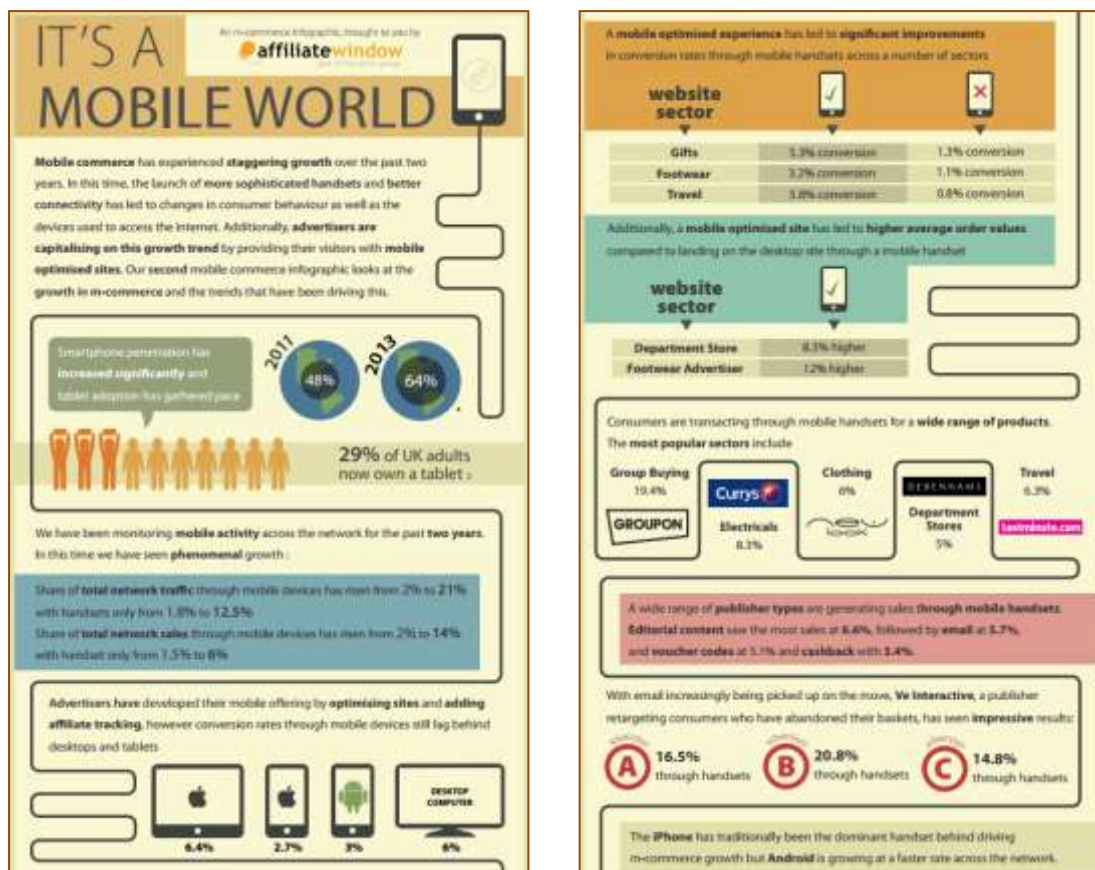
³ <http://www.mediaweek.co.uk/news/1179681/>

3.0 Mobile trends seen through Affiliate Window

We recently launched our second mobile infographic to showcase the latest trends in mobile and the significant growth achieved through the performance marketing channel.

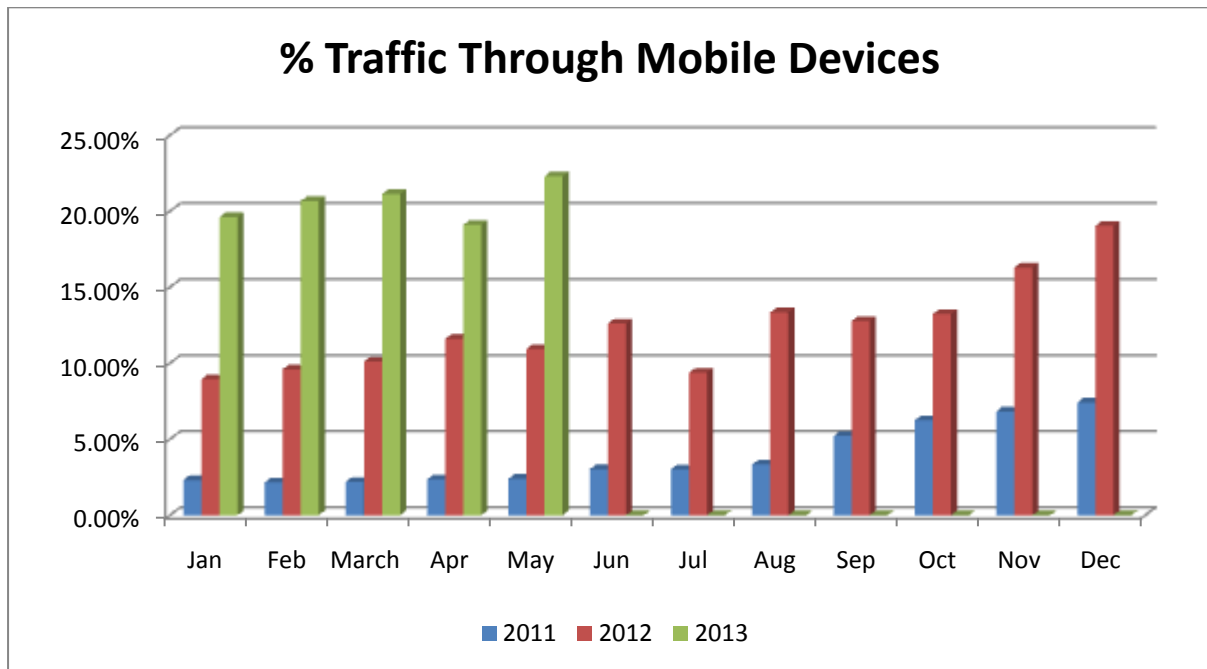
There are a number of sectors we are seeing with exceptional performance in mobile commerce – both in terms of their share of sales through mobile devices as well as the conversion rates they have experienced through optimising the customer journey via mobile handsets.

Snippets of the infographic can be seen below and a full size version can be [found here](#).

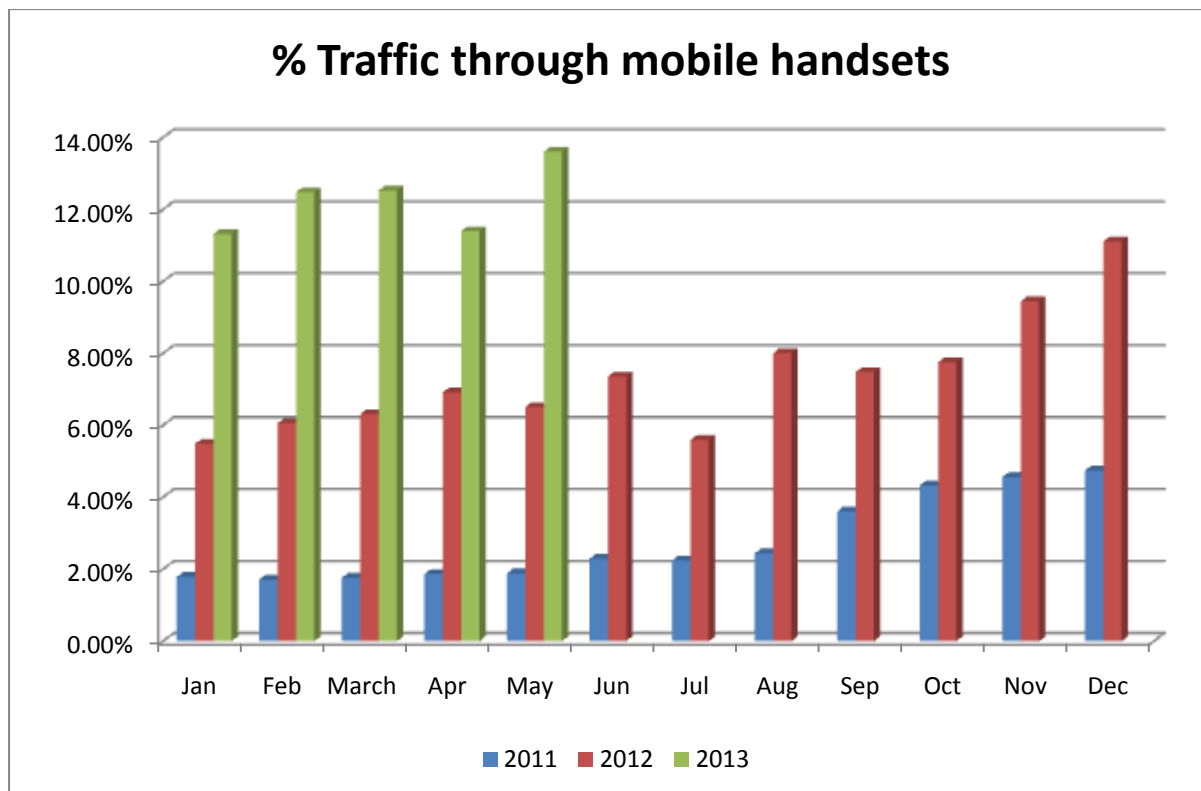


3.1 Traffic

Since we have been monitoring our mobile activity across the network, we have seen a staggering increase in traffic is coming through mobile devices. When we first started compiling our mobile data in January 2011 we were seeing just 2.3% of traffic originating from mobile. In May 2013 we saw just over one in five clicks coming through a mobile device.

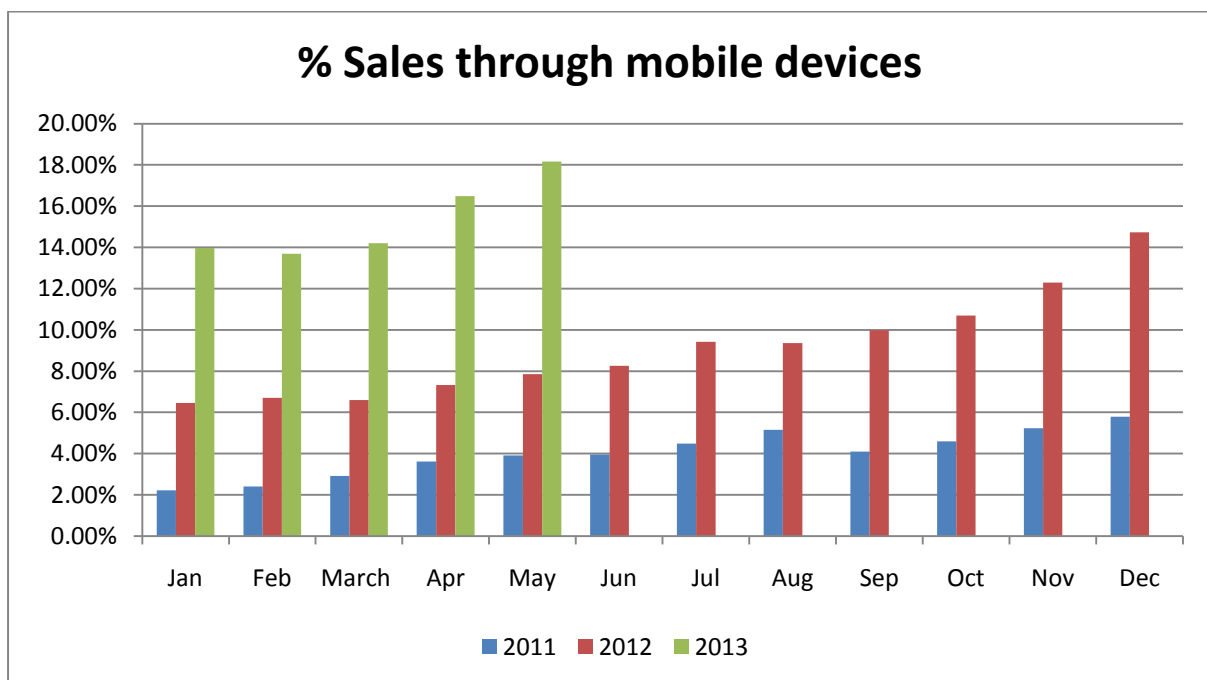


As we have mentioned previously, it is important to split out what is being generated through mobile handsets and tablets. The chart above looks at both tablets and handsets while the next chart focuses purely on handset traffic. In January 2011, we were seeing less than two percent of traffic originating through handset devices. Our most recent data shows 13.61% of traffic is now through handsets. With consumers increasingly turning to handsets to access the internet, it is important for advertisers to optimise their sites to take full advantage of the increase in traffic. It is also important to understand the motivations behind the mobile visit – it may not necessarily be to transact. Advertisers need to ensure they are able to present their visitors with what they are visiting for in order to convert a sale, whether directly through the mobile site or by driving footfall to physical locations.

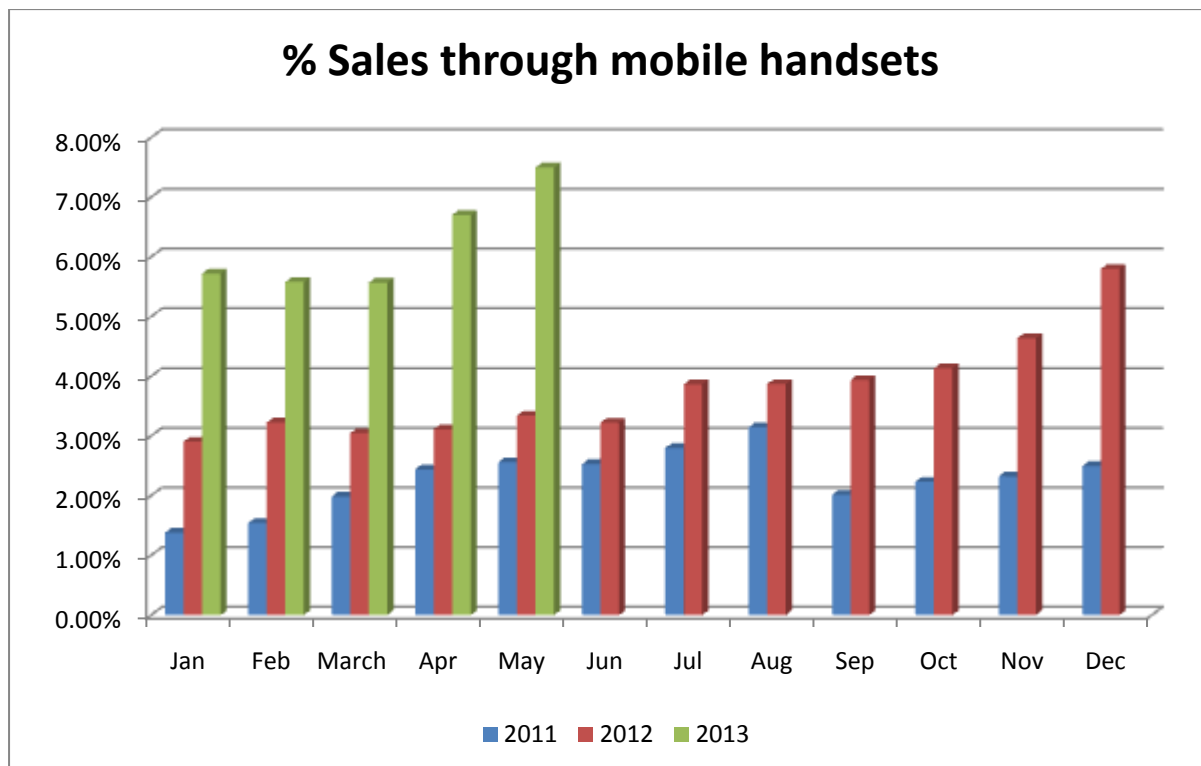


3.2 Sales

We are also seeing mobile traffic converting as highlighted in the percentage of sales now coming through mobile devices. Back in January 2011 this stood at just over 2%. Fast forward two and a half years and we are now seeing an incredible 18% of sales being generated through mobile devices. This indicates a significant shift in consumer behaviour, both in terms of the devices they are using to connect to the internet, as well as increasing confidence in actually purchasing through these devices.



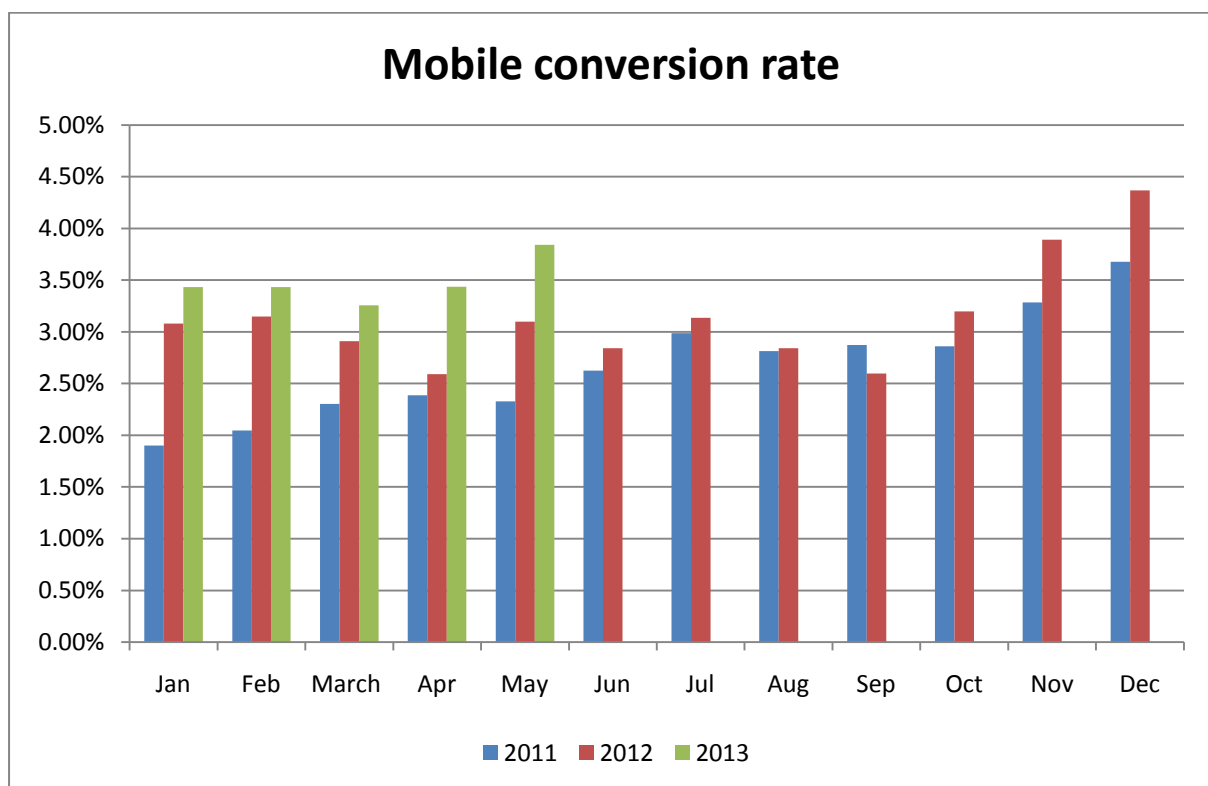
As with traffic, the chart above looks at mobile devices as a whole while the following chart focuses specifically on mobile handsets. From just over 1% in January 2011, our latest stats indicate more than 7% of sales are now coming through mobile handsets. With more advertisers optimising their sites for mobile handsets coupled with affiliate tracking being added as standard rather than merely an afterthought, we expect the share of sales through mobile devices to increase further in the coming months, hitting double figures by Christmas 2013.



3.3 Conversion rates

We have seen an improvement in conversion rates in recent months and we are seeing mobile traffic (tablet and handset) converting at 3.84%. If we split this out, tablet is converting at around 5% while the main handset devices (iPhone and Android) are converting at just over 2% click to sale. While these conversion rates may seem high for mobile handsets, it is important to note the nature of this traffic.

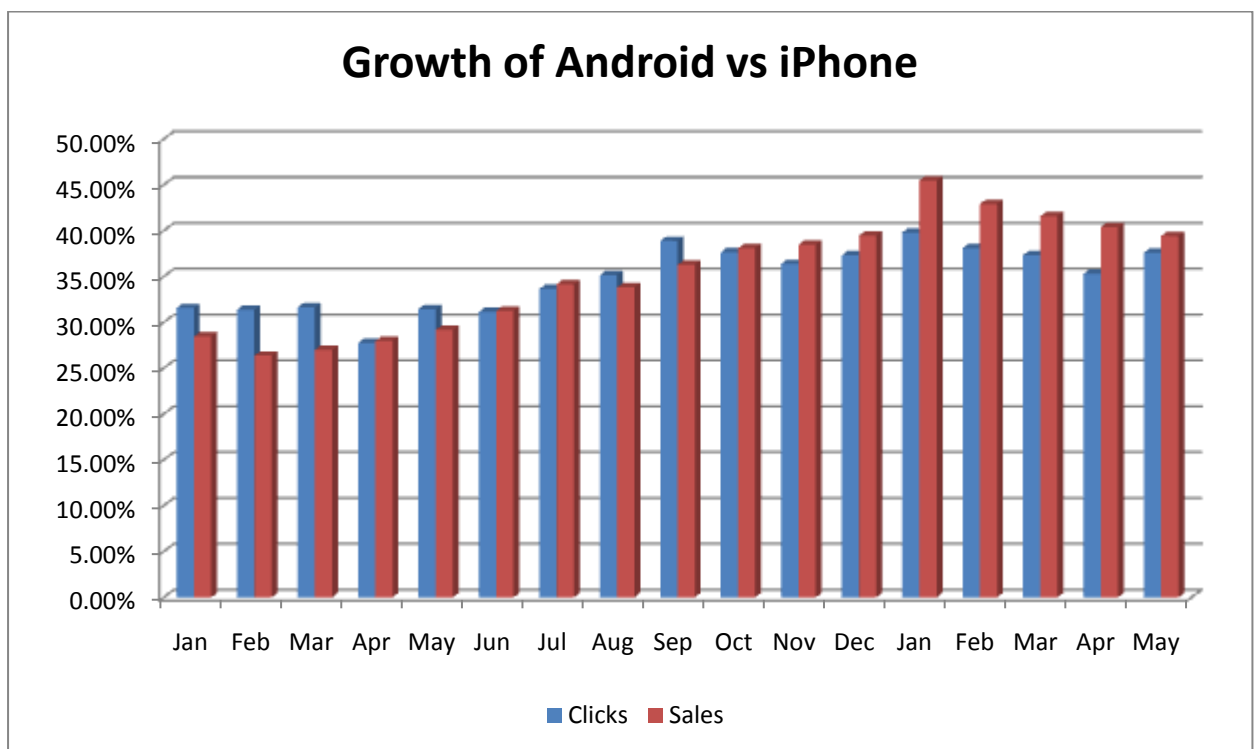
As with desktop, we have certain publishers that over-index in terms of mobile sales. With incentivised traffic sources accounting for a big chunk of the mobile space, it is less surprising to see mobile traffic converting so well through the affiliate channel.



3.4 iPhone vs Android growth

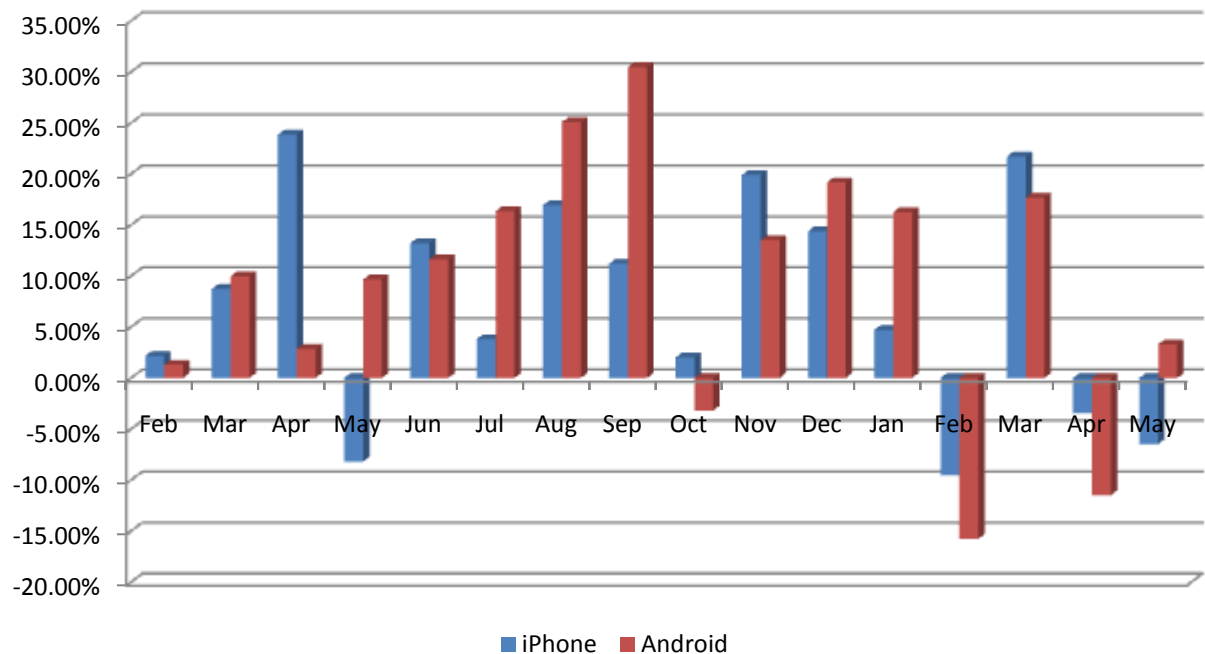
One of the most interesting observations in the development of mobile commerce has been the battle between the iPhone and Android handsets. We have been monitoring the growth of both of these devices since January 2012. The chart below has traffic and sales through Android devices as a percentage of all traffic/sales.

Having gained on the iPhone in terms of both traffic and sales, Android has experienced a drop off in 2013. Across the network Android devices currently have a 37.6% share of traffic and a 39.4% share of sales.



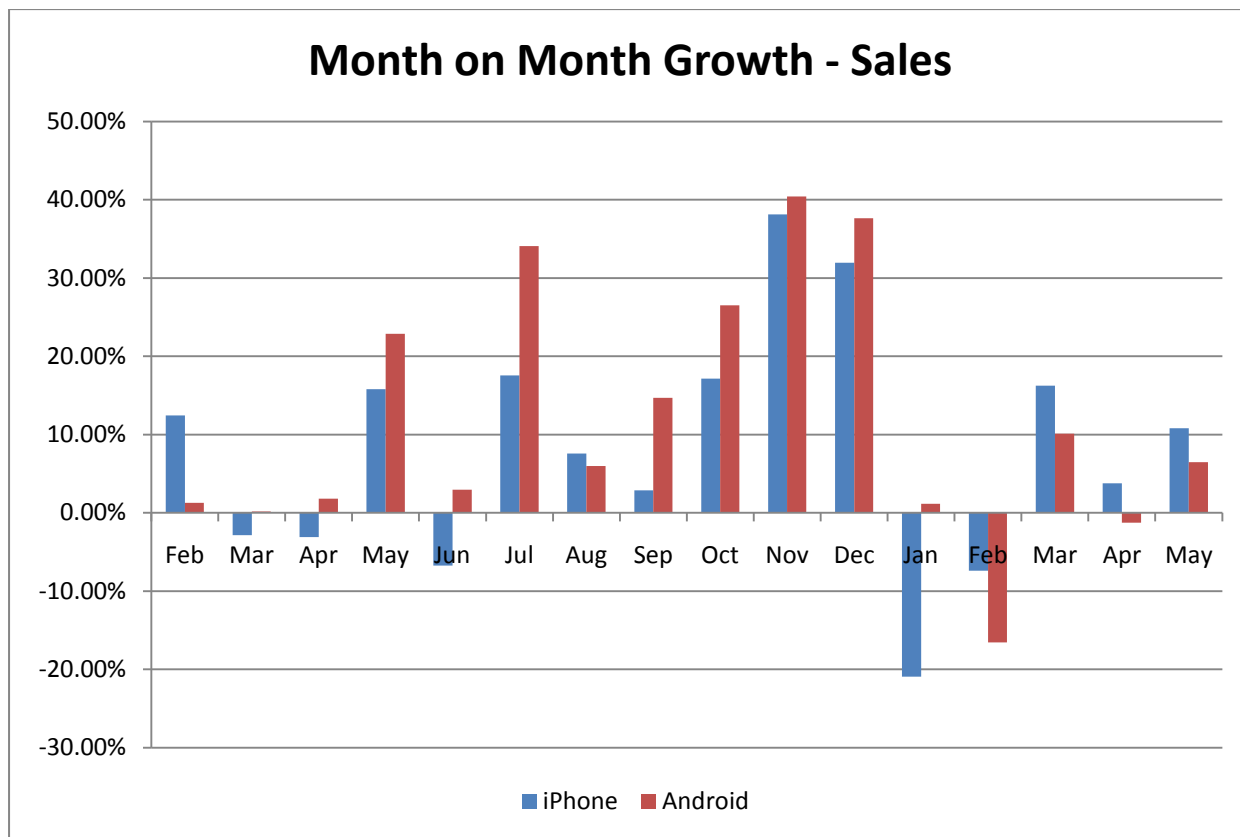
It is also possible to look at the monthly increases in traffic and sales for each device to see how their growth rates compare. The following chart looks at traffic. Primarily, month on month growth of traffic through Android was greater than the iPhone. It is important to note these growth rates were based on a lower base volume of traffic.

Month on Month Growth - Clicks



This was a trend also replicated in terms of sales. For the most part, we saw greater increases in the sales volumes through Android month on month. As with clicks, this growth is from a lower base rate than the iPhone.

With Android handsets typically the default upgrade option, sales of the devices are growing at a rapid rate. We anticipated Android handsets being at least on a par with iPhone by the time this third white paper was published but that has failed to materialise, despite natural, exponential growth. It will be interesting to monitor these trends over the remainder of the year to see if Android can increase its market share through the affiliate channel.



3.5 Mobile defining holiday periods

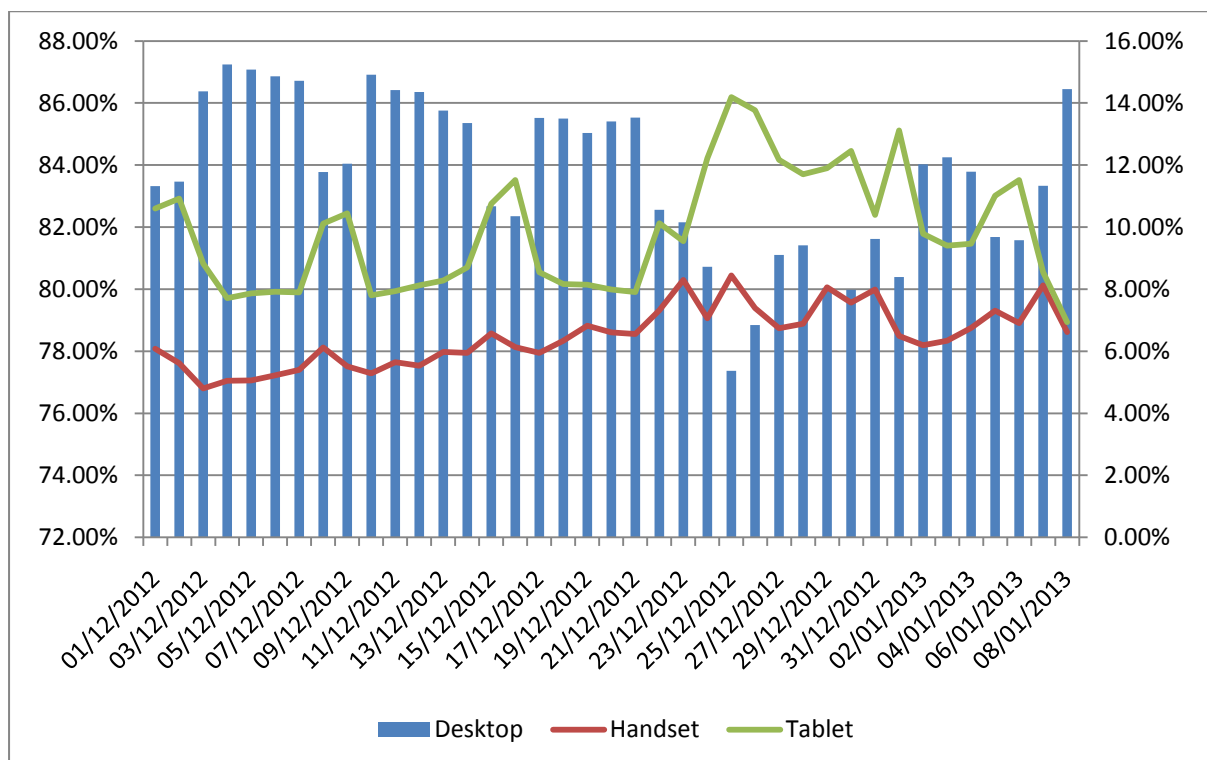
Mobile commerce has seen strong performance throughout the year, but one of the key mobile adoption trends is during holiday periods when traffic and sales accelerate.

Having monitored mobile activity throughout the Christmas period, we also followed this up by looking at mobile activity during the Easter bank holiday to see if there were similarities in the peaks.

3.5.1 Christmas 2012

During Christmas it was important to understand the devices driving the growth trends across the network. With a number of smartphones and tablet devices being given as gifts, it is no real surprise we saw traffic and sales through mobile devices peak on Christmas Day. Just under 23% of sales through the network were generated through mobile devices on Christmas day with 8.4% of sales coming through mobile handsets – the largest percentage of sales since we began monitoring mobile activity over two years ago to that point in time. Traffic through mobile devices also peaked on Christmas Day, although tablet traffic was higher on Boxing Day.

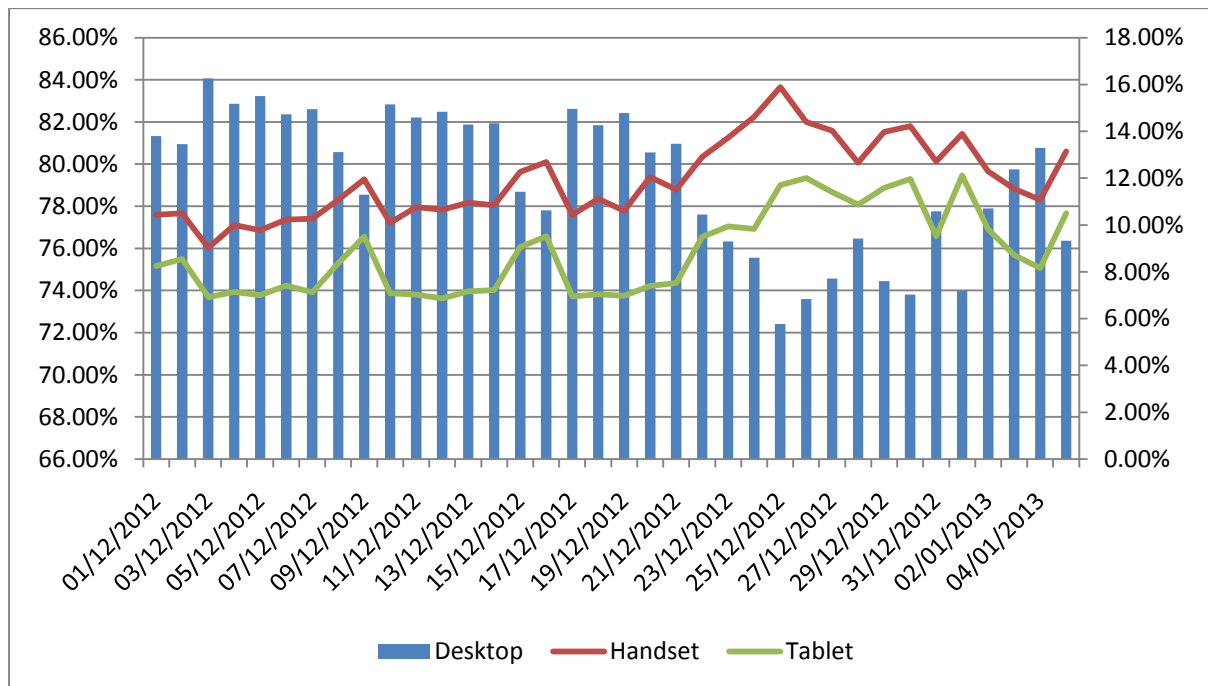
This trend was reflected more generally across the retail landscape with a number of outlets reporting an [increase in mobile traffic and transactions](#) over the Christmas period.



(Share of sales by device)

Throughout December and into January we saw tablet traffic peak at weekends – indicating that tablet devices are increasingly popular when at home. This trend continued over the festive break.

There was also a peak in sales and traffic through tablet devices on 1st January, although this was not replicated across mobile handsets.



(Share of traffic by device)

The Christmas period saw strong sales growth for our advertiser base. With advertisers keen to take advantage of price sensitive consumers by starting their sales immediately on or after Christmas Eve, we saw notable peaks immediately after Christmas. Interestingly desktop sales were at their highest during the pre-Christmas sales peak at the start of December: evidence perhaps that consumers still see traditional devices as offering the natural place to do their 'serious', bulk shopping; mobile lending itself to more impulse or discount led (sale period) purchases.

3.5.2 Easter 2013

Having previously analysed the Christmas period, we were eager to see if we saw similar patterns across mobile commerce over the Easter bank holiday. With our [March 2013 statistics](#) indicating traffic through mobile devices reached 21.1% while sales reached 14.2%, it was interesting to see the impact of a long weekend on mobile usage.

As mentioned earlier, we have traditionally seen consumers turn to mobile devices at weekends. This is not particularly surprising when we consider office workers step away from their desktops and instead use mobile devices to access the internet.

For the purpose of this data, tablet and handset data was split out. As mentioned, the intention of the user could differ greatly depending on the device they are using. For example, tablets could be used at home as a desktop replacement, while handsets could be used while out and about.

Tablet

Over the Easter weekend we saw tablet traffic average at 11.1% share of the entire network's traffic, while 11.3% of sales were generated through these devices. Saturday was the peak for tablet traffic with a 12% share whereas sales peaked on Easter Monday at 11.7% (despite receiving the lowest share of traffic over the four day period – 9.7%).

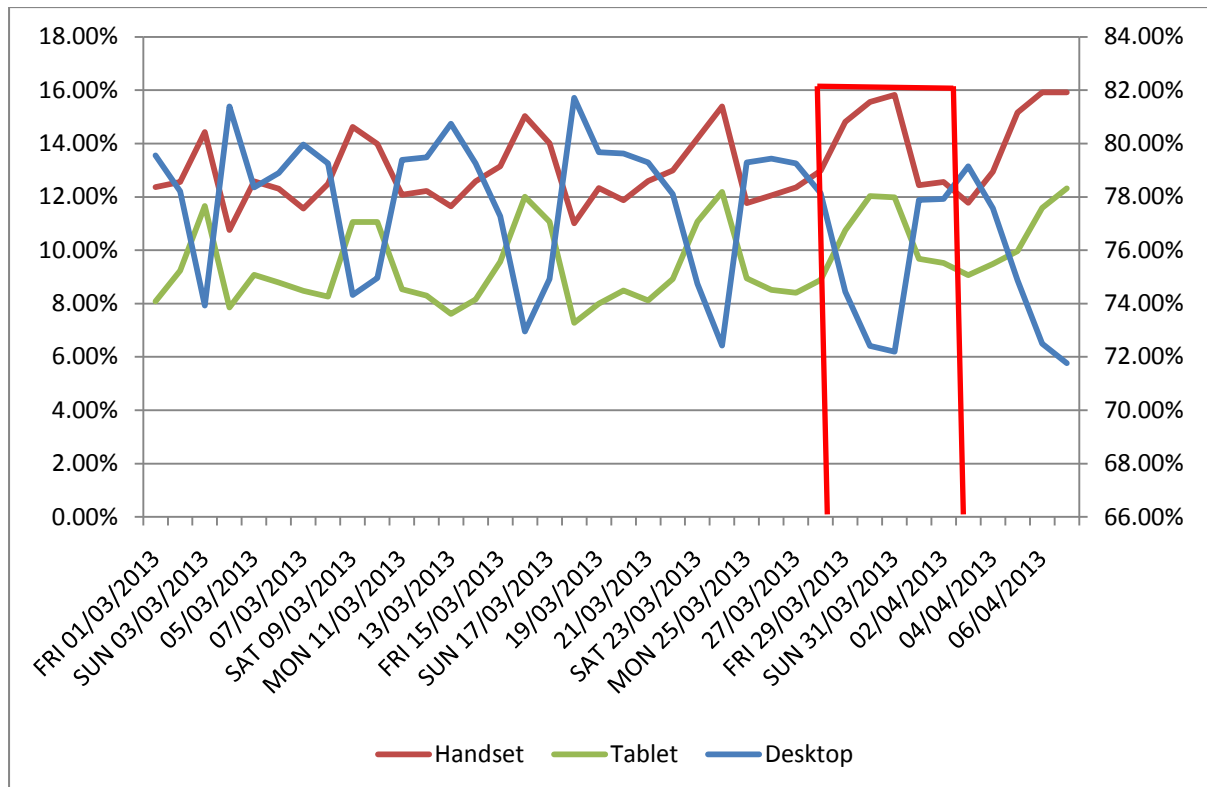
If we look at Saturday and Sunday in isolation and compare this with the previous and following weekends, it is evident that mobile was more prevalent over the Easter weekend. Traffic on the Saturday and Sunday averaged at 12% while sales stood at 11.25%. Looking at the weekend prior to Easter, this was 11.6% and 11.1% respectively, while for the weekend after Easter totalled 11.95% (traffic) and 10.6% (sales).

Handset

Looking specifically at handset activity, we also saw noticeable peaks over Easter weekend compared to the pre- and post-Easter periods. Handset traffic over Easter break averaged at 14.7% of total traffic through the network. This is significantly higher than the 12.5% of mobile handset traffic we saw across the network throughout March. The peak over the weekend was a day later than we saw for tablets, with traffic reaching an incredibly impressive **15.8% on Easter Sunday**. As we saw with tablets, the share of traffic through handsets was at its minimum on Easter Monday. Unlike we saw with tablets, this was also the day with the lowest share of sales.

Sales through handsets averaged at 6.9% over the four day period, peaking at 7.1% on the Saturday.

Again, if we compare sales through handsets on the Saturday and Sunday to the previous weekend, it is again evident how consumers turn to mobile devices more frequently. Traffic and sales stood at 15.7% and 7% respectively while the weekend before this stood at 14.8% (traffic) and 6.9% (sales)



Advertisers should be looking to take advantage of increased mobile activity over these periods through the performance channel. By running short term promotional offers they are able to get in front of an engaged audience. Multichannel retailers can also benefit from driving footfall to stores with a number of publishers offering offline opportunities. It is worth considering whether mobile specific offers, deals and promotions, as well as increased commissions or placements on affiliates' mobile sites and apps could provide interesting insights into how consumers are interacting with general retail portals during these periods.

Additionally, research from [Knotice](#) indicates that 41% of all emails were opened on mobile devices throughout 2012. This is an extremely powerful tool for advertisers to take advantage of – especially during periods where consumers are spending more time with their mobile devices.

4.0 Mobile Tracking

Affiliate Window's priority over the past two years has been on m-commerce and the factors surrounding it. Therefore ensuring our advertisers are tracking sales through mobile devices and publishers are being correctly rewarded for the sales they have driven is imperative.

4.1 Advertisers tracking mobile sales

Earlier this year we launched an initiative to ensure advertisers without tracking on their mobile sites, were diverting mobile traffic through to the desktop version of the site so it would track. While this did not lend itself to a seamless mobile customer experience, it meant publishers were being fairly rewarded for the sales they were driving through mobile handsets. This was put in place as an interim measure and as soon as advertisers added tracking to their mobile sites, all traffic was sent back to the mobile site to ensure a fully optimised mobile customer journey. We were extremely proud to see this initiative recognised within the industry as we received two Performance Marketing Awards as well as a Mobile Retail Award in the performance marketing category.

When we first launched this initiative we reported 85% of our advertisers were tracking sales through mobile devices. These sales were being tracked in one of the following ways:

- Optimised mobile site complete with affiliate tracking
- Optimised mobile site running off and tracking through the same domain
- Non optimised mobile site, so sales track through desktop site
- Affiliate Window fix in place to divert mobile traffic to the desktop site

Since this list was first provided, we have been working hard to ensure even more of our advertisers are tracking mobile sales. While the percentages of advertisers that have mobile traffic in place is one metric to measure, it is more important to consider the percentage of revenue and commission being tracked. By ensuring the largest advertisers on the network are tracking, publishers can be assured they are receiving the commission earned through mobile devices.

With John Lewis being the major latest advertiser to announce tracking has been added to their mobile site, we are now tracking 91% of revenue and commission generated through our advertisers. We are continually educating advertisers on the importance of mobile tracking and we have made great strides. While these percentages are strong, we strive to make this as close to 100% as possible by the end of the year.

Our aim is to provide as much visibility to publishers as possible, allowing them to make informed choices on which advertisers to promote. A full list of our advertisers and their status with regards to mobile tracking can be [found here](#). This list will be updated regularly as more advertisers begin to track mobile sales.

If you are an advertiser with mobile tracking in place listed incorrectly, please contact strategy@affiliatewindow.com so we can update this accordingly.

4.2 M. Site vs Responsive Design

One of the major considerations when launching a mobile optimised site is whether to go with a standalone mobile site that sits on an m.domain or utilise responsive design – where the site adapts to the device consumers are visiting from. There are pros and cons for each option. Responsive sites for example require minimal technical resource once they are up and running. Any changes made to the desktop site will be replicated across all devices. M.com sites provide greater flexibility however. A visitor through a mobile handset may have different requirements to one that is using a desktop. With a dedicated mobile site, advertisers are able to cater to the needs of their visitors. For example, if an insurance company opted for responsive design, it could provide a fiddly user experience for consumers that are visiting through a mobile handset. An m. site which can be adapted for handsets would probably be best in this situation.

Recent changes by Google have seen them clamp down on retailers that do not follow its mobile SEO best practices. They want to ensure that mobile searchers are taken to the correct product page when searching for a particular product. Any advertiser that redirects consumers to a desktop version of the product page or to the mobile homepage will be penalised. They suggest that the best way around this would be to provide a responsive site.⁴

As mentioned above though, responsive design is not necessarily the best route for all advertisers to go down and we would advise to look at this on an advertiser by advertiser basis. It is essential however that if opting for an m.com site, all pages are optimised and the correct product pages are linked to, to avoid falling foul of Google.

4.3 App downloads

Having focused on ensuring our advertisers are tracking through mobile devices, we are also now able to offer app download campaigns as well as tracking in app activity.

This is based on a download and subsequent opening of the app and also any pre-defined in-app activity. This could be a purchase, or in the case of a non transactional app can be any 'event', such as checking a bill or locating a store. In this way, we can ensure we're not just driving downloads of your app, but we're also delivering engaged customers and rewarding affiliates accordingly. The activity would be tracked into the interface and will be simple to report on and monitor.

If you would like to speak to us about an app download proposition, please [get in touch](#).

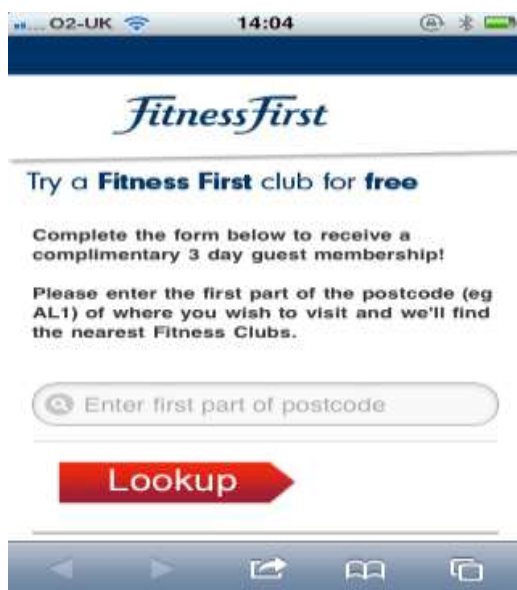
⁴ <http://www.internetretailer.com/2013/06/13/google-cracks-down-mobile-laggards?p=1>

4.4 Lead Generation

Our lead generation proposition has been going from strength to strength and with such a large number of emails opened on mobile, it is a natural extension of the team's work.

It is important therefore that the sign up forms being used are also optimised for mobile. This is something we have recently launched and enables advertisers to target consumers through mobile devices.

An example of a mobile optimised form can be seen below.

A screenshot of a mobile-optimized sign-up form for Fitness First. The form is displayed on a mobile device screen, showing the status bar at the top with 'O2-UK', signal strength, time '14:04', and battery level. The Fitness First logo is at the top of the form. Below the logo, the text reads 'Try a Fitness First club for free'. This is followed by the instruction 'Complete the form below to receive a complimentary 3 day guest membership!'. Then, it says 'Please enter the first part of the postcode (eg AL1) of where you wish to visit and we'll find the nearest Fitness Clubs.' Below this is a text input field with a magnifying glass icon and the placeholder text 'Enter first part of postcode'. Underneath the input field is a red button with a white arrow pointing right and the word 'Lookup' in white. At the bottom of the form, there is a mobile navigation bar with icons for back, forward, home, and search.

If you are interested in running a mobile lead generation campaign, please [get in touch](#).

5.0 Case Studies

Throughout the year we have produced a number of case studies to showcase how our advertisers have benefited from having a mobile optimised customer experience in place complete with affiliate tracking. The case studies outlined below look at several areas associated with mobile commerce such as the uplift in sales through mobile devices when an optimised site is available, as well as how conversion rates have been improved across a various sectors.

5.1 Group buying

Group Buying Ahead of the Mobile Curve – published March 2013

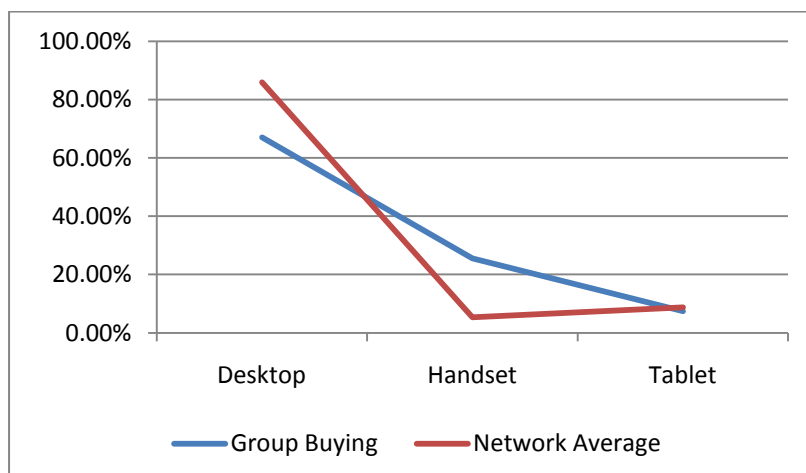
While we have seen a number of advertisers within the retail arena benefit from developing their mobile presence, one sector that has really lent itself to mobile commerce is group buying.

With consumers regularly turning to mobile devices to access their emails, the group buying sector has seen significant traction through mobile publishers. With 41% of emails being opened on a mobile device, it has been widely predicted by the end of this year, more commercial emails will be read on mobile devices than desktop⁵.

Additionally, there has been an increase in mobile display activity across the sector with advertising within some of the most popular apps proving to be a successful route to market for sending out the latest deals.

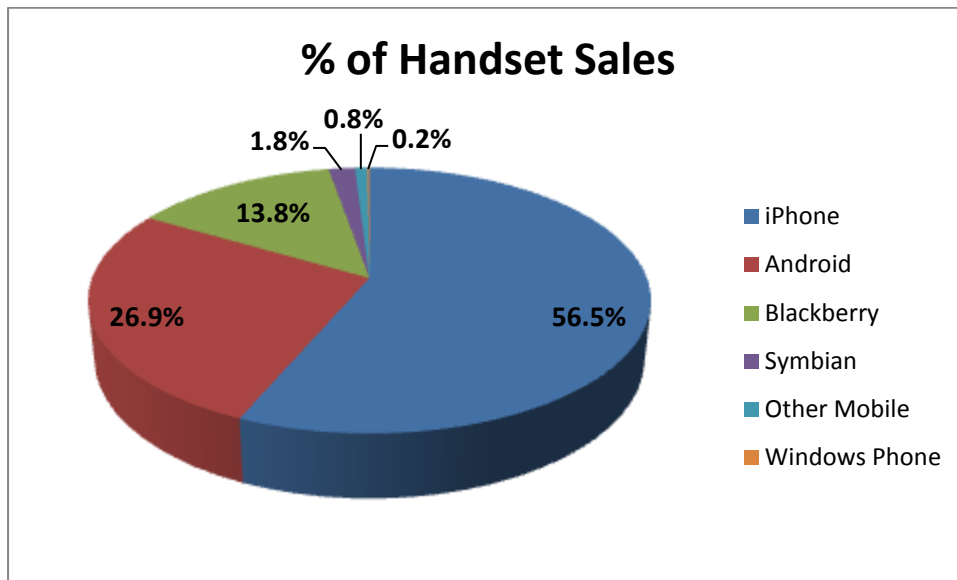
With this change in how consumers are interacting with their mobile devices to get the latest deals in the most convenient manner, group buying has been at the forefront of mobile growth. As a sector it over indexes against what we have seen across the network on average.

The group buying sector runs contrary to our general insights and pulls in more sales via tablets than handsets, with an incredible 25.5% of all transactions being generated by mobiles.



⁵ Mobile Email Opens Now 41% & On Pace To Surpass PC By End Of 2013, <http://marketingland.com/mobile-email-opens-41-percent-33980>

As well as studying the type of device consumers are turning to in order to transact, it is also possible to look at the actual handsets driving this growth. With the ability to target specific offerings by device, it is possible for advertisers to offer bespoke deals to consumers based on the handset they are using and the offers typically purchased through these devices. The iPhone leads the way with 56.5% of handset sales through this device.



As previously mentioned, the huge spike in mobile activity for the sector is down to the publisher promotional types demonstrating the ability to drive a significant volume of sales.

With email more readily picked up on mobile handsets, publishers sending out newsletters have seen a high proportion of transactions generated through mobile devices. Voucher code sites have seen almost 20% of all transactions generated through handsets while publishers embarking on display activity (within apps and across highly trafficked portals) have seen in excess of 40% of all transactions take place on a mobile handset.

With the shift in consumer trends and purchasing habits, it is evident some sectors are increasingly suited to mobile advertising. The group buying sector is certainly one of these and can expect to see further growth through mobile commerce in the coming months.

5.2 Email Retargeting

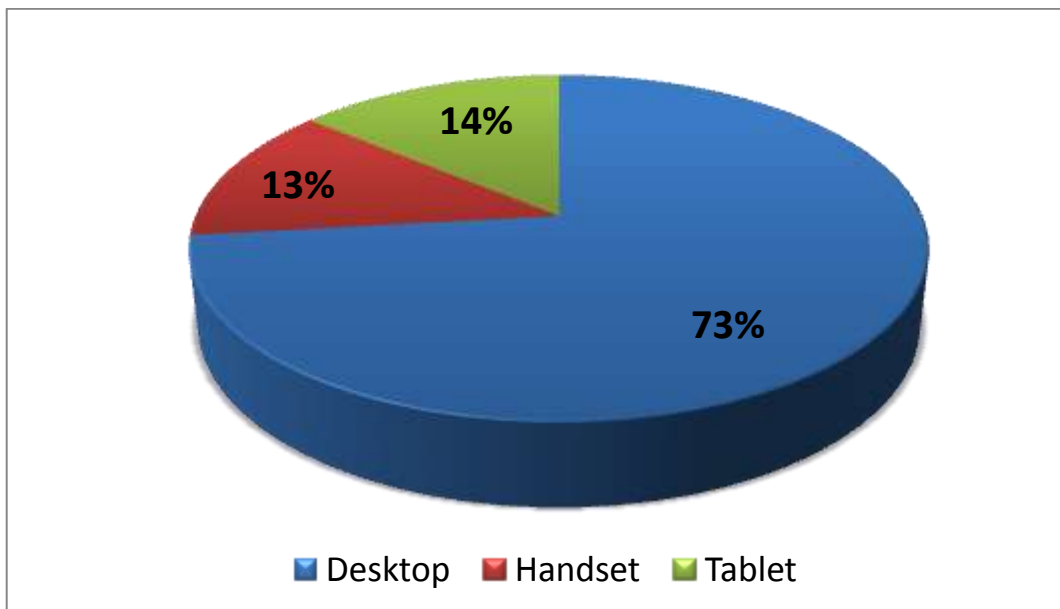
Mobile email big business within the affiliate channel – published April 2013

One of the most rapidly evolving phenomena in how consumers are accessing information digitally is the devices they're turning to in order to access their emails. In fact, 41% of emails are currently viewed on a mobile device. With this figure widely expected to surpass desktop by the end of this year, there are clear opportunities and threats for advertisers in how they approach mobile email opportunities in the performance channel.

Re-targeting customers who have abandoned their baskets has also shown considerable growth in the past couple of years and with the rise of mobile commerce, the two elements have combined to enable re-targeting through mobile devices.

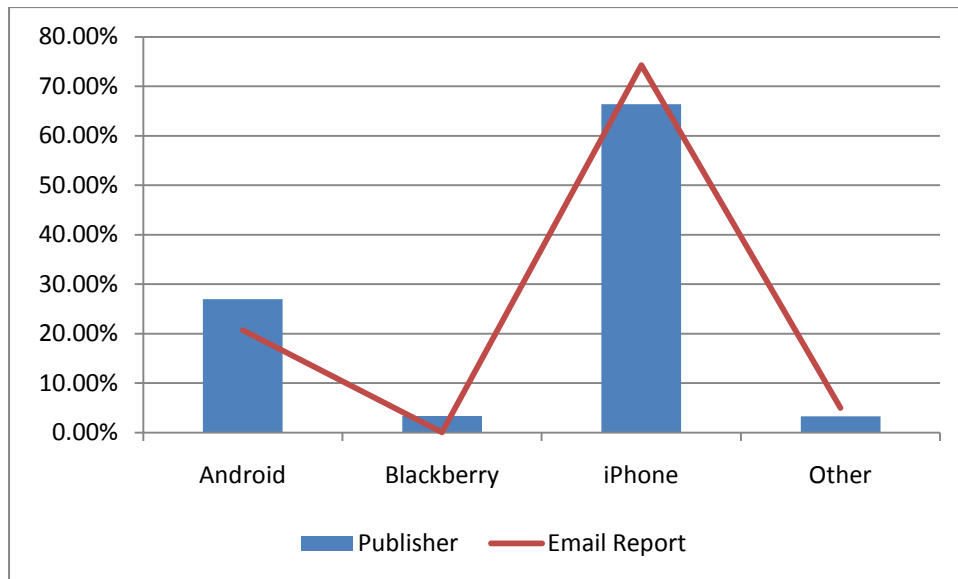
Just as we see [sectors such as group buying](#) significantly over indexing in terms of the share of sales generated through mobile devices, we also see basket abandonment emails outperform other publisher types generating sales through mobile handsets.

An impressive 13% of all sales a leading basket abandonment publisher ([Ve Interactive](#)) drives are generated through mobile handsets; more than double across our network as a whole; again indicative of changing consumer behavior and the move towards mobile email.



We can break this down further to look at the handsets generating sales. This can also be compared to a report produced by [Knotice](#) looking into the devices used to view emails in Q3 and Q4 2012.

Knotice saw 29% of all email being opened on mobile devices. By focusing purely on mobile handsets we have been able to compare the devices typically being used for viewing emails to those driving sales for Ve Interactive.



From the chart above it is evident Ve Interactive sees similar trends across devices for transactions as Knotice has seen for consumers receiving their email. However, the publisher slightly over-indexes on sales through Android and Blackberry while it under-indexes on the iPhone and 'other' handsets. Over 65% of sales are generated through the iPhone showing this is not only the most popular handset for picking up email but also that iPhone users also show a high propensity to transact with the retailers being promoted.

By looking at the advertisers generating not only significant volumes of sales through mobile handsets, but also a high proportion of their total sales, we can begin to understand the sectors performing well through mobile commerce, particularly through email.

This is not the only sector thriving through mobile, far from it. Ve Interactive has also driven significant volumes of sales through handsets for advertisers within retail, telecoms and travel with upwards of 20% of sales generated through mobile handsets for some advertisers within these sectors.

"The increase in the use of smartphones for opening and reading emails initiates new and diverse opportunities for marketers. As smartphones can significantly support Cascading Style Sheets (CSS) functionalities over desktop emails, the engagement and experience can be improved to maximise Click Through Rate (CTR)" – Roddy Scaife, Production Director, Ve Interactive

With mobile set to overtake desktop as the favoured device for picking up email by the end of the year, advertisers can benefit from close partnerships with the publishers able to effectively target consumers through mobile devices.

5.3 Optimising mobile experience

The following case study looks at the impact of having a mobile optimised site in place. It focuses on the uplift experienced by one advertiser as well as looking at an improvement in conversion rates across various sectors.

5.3.2 Improved conversion rates through optimisation

How Mobile Optimised Sites Drive Conversion Rates and Average Order Values

Looking at retailers' data across a number of sectors it has been possible to see the impact of a fully optimised mobile site on conversion rates. With a seamless process in place, it is easier for the mobile visitor to interact with the site; searching for and viewing products is made more intuitive and it is simple for the visitor to add products to their basket and ultimately check out to complete the transaction.

An un-optimised site makes the customer journey a fiddly and frustrating process and almost always results in the visitor not completing a transaction. They could return through a desktop to make the transaction but another possible scenario could be they purchase from a competitor who has a mobile optimised site in place.

By looking at retailers operating within the same sector we're able to see clear improvements in conversion rate when a mobile optimised site is launched.

Gifts

Advertisers A and B both operate within the gift space. They have similar product offerings and both receive in excess of 10% of traffic through the affiliate channel from mobile handsets.

Advertiser A has a fully optimised mobile experience while Advertiser B directs visitors through a mobile device to the standard desktop version of the site. As a result, Advertiser A experiences a much better conversion rate through mobile handsets – converting at 5.3%. As the customer journey through Advertiser B is not optimised for mobile, there is a higher drop off rate and conversions have suffered. Advertiser B by contrast only converts 1.3% of its mobile traffic.

While there may be other factors in play (price competitiveness, delivery options etc.) there is a clear correlation between optimised and non-optimised for mobile in this particular sector.

Footwear

We see a similar situation when comparing two advertisers within the retail sector specialising in footwear. Again, the advertisers are very similar in their offering and receive a high proportion of their visitors through mobile handsets. Advertiser C has a mobile optimised site in place whereas advertiser D again directs to the standard desktop version of the site.

With the ability to seamlessly browse products, add them to your basket and complete the transaction without any need for resizing the screen, Advertiser C has a conversion rate through mobile handsets of 3.2% whereas Advertiser D only converts at barely a third of the rate.

Travel

Finally we are able to look at two advertisers within the travel sector. They do not receive as high a proportion of traffic through mobile handsets as we have seen for other retailers, but around 5% of each of their traffic is originating from a mobile handset. Again we can see the impact of an optimised user journey. Advertiser E has a mobile site in place and converts through mobile handsets at an impressive 5.8%. Advertiser F does not have an optimised site and it is evident travel has one of the lowest conversion rates through mobile handsets where an optimised site is not available – the conversion rate through mobile handsets through Advertiser F is only 0.8%.

In other words, for every 10,000 clicks, Advertiser E will record 500 more sales than Advertiser F. When this is multiplied by an average booking amount the numbers soon start to stack up.

As well as each of the advertisers with a mobile optimised site demonstrating superior conversion rates, we have also seen the average order values (AOV) increase when compared to transacting through a desktop version of the site.

Looking at an example of a large online retailer with a high street presence, AOV through the mobile optimised version of the site was 8.25% higher than when the visitor opted to view the desktop site through a mobile device. If we break this down by the actual handset used to purchase, the iPhone demonstrated the most significant increase with a 22.7% higher AOV.

Similarly, when looking at the footwear advertiser mentioned above, the AOV when transacting through a mobile optimised version of the site was higher. This even outstripped the AOV seen when purchasing on a desktop with AOV 12% higher when purchasing through a mobile handset.

6.0 Publisher Opportunities

There are a number of publisher opportunities within the mobile space with some of the largest publishers having their own mobile optimised sites/apps. This spans a number of different areas such as driving footfall in store and facilitating price comparison. Additionally, with the rise of app downloads and lead generation, mobile display is playing an increasingly important role within the affiliate channel.

6.1 Mobile Display

We partner with a number of companies to offer mobile display opportunities. By partnering with [MobPro](#) we can provide our advertisers display coverage across some of the most highly trafficked sites as well as within a number of applications. While it is possible to work on a CPA payment model, certain publishers will need alternative payment models such as CPC or CPM, much as they would across display advertising on desktop.

6.2 Driving Footfall/Instore offers

With an increasing number of advertisers employing a multi channel strategy, there are a wide range of publisher opportunities geared around driving footfall to stores and providing offers once in store. These publishers utilise location based targeting to target consumers when they are nearby. This has primarily been driven by incentivised sites such as Quidco, Topcashback and Vouchercodes.co.uk.

Quidco and Top Cashback have both recently launched in store initiatives where consumers can earn cashback on their purchases by taking a photo of their receipt and uploading it to the sites system. This has increasingly led to consumers taking advantage of in store offers and increasing their spend when purchasing from a physical store.

Publishers able to drive footfall are also able to provide additional exposure across their mobile sites/apps to generate online sales too.

6.3 Price Comparison

With the rise in mobile activity, there has been an increase in the phenomenon of 'show rooming' – where consumers are able to compare the prices of products while in store. A number of advertisers have embraced this and launched wifi in stores, and offered price matching if items can be purchased elsewhere.

This has also led to the emergence of a number of price comparison publishers such as [Red Laser](#) – allowing consumers to compare prices and find local stores of retailers that stock the products or purchase online through an advertiser's mobile site.

6.4 Mobile Search

There are a number of publishers that are PPC specialists. With the rise in mobile traffic they have transitioned their expertise from desktop to mobile and have helped advertisers to increase their presence within the search engines.

With a number of mobile searches focused on local areas, search specialists are able to take advantage of geo targeting. As well as generating traffic to an advertiser's mobile site, they are also able to generate footfall to stores.

With mobile searches typically converting within a shorter timeframe seen across desktop, advertisers can really take advantage of timely promotions.

If you would like to find out more details on any of these opportunities, please contact our [Publisher Services team](#).

[We see new mobile publishers and affiliates with innovative mobile solutions joining the network every week. This area is set to develop rapidly and will undoubtedly form a greater focus for future insights we produce.](#)

7.0 Summary

Since our first white paper, we have seen a significant increase in the mobile activity experienced across the network. However, there are still a number of advertisers who are yet to fully take advantage of the mobile landscape. This is understandable as the landscape rapidly develops and settles.

We have seen traffic through mobile devices accelerate over the past year. Savvy advertisers are doing all they can to embrace this. Those who have launched mobile optimised sites complete with affiliate tracking are testament to that. This has enabled them to convert visitors to their sites through mobile devices as well as utilise opportunities to drive multi-channel sales by acting as a mechanism to drive consumers in store.

Developments in our reporting have enabled advertisers to better understand the devices that are generating their sales. This is not limited to the type of device (mobile, tablet, desktop) but also breaks this down by the actual device. This allows advertisers to optimise their offering across various devices to be in the best position to convert mobile visitors.

In addition, publishers are now also able to gain an understanding of the devices their visitors are transacting through to take advantage of this mobile growth.

We have seen a number of large advertisers launch sites with affiliate tracking in place since our first white paper. However, this still accounts for a minimal percentage of our complete advertiser base so there is still a requirement for further education.

With the addition of our app download proposition, advertisers are also able to generate further downloads of their app, while publishers are now able to be remunerated for delivering app downloads and also in app purchases.

With the mobile landscape set to develop further throughout the remainder of the year, advertisers who have already embraced m-commerce are well positioned to reap the rewards.

8.0 Contacts

If you are interested in any of the opportunities that are mentioned in this document, please contact us at strategy@affiliatewindow.com and we will pass your contact details onto them.

If you missed either of our previous white papers, they can be found [here](#) and [here](#).

Each month we round up all of our mobile stats. The latest version of these can be found on [our blog](#).

If you would be interested to hear of further mobile developments and additional insights across the performance marketing channel, please sign up to our monthly Strategy newsletter [here](#).