



M-Commerce: The Complete Picture

Second edition, June 2012

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1.0 Introduction

Six months ago we released our first ever [mobile commerce white paper](#). In this we looked at how mobile commerce is developing within the performance marketing channel and the trends that are fuelling this growth. We looked at the percentage of traffic and sales coming through mobile devices (smartphones and tablets). At the time, 3.5% of all traffic and 5% of all sales were being driven through mobile devices.

In this update, we look at how the mobile landscape has developed. We focus specifically on the results that our advertisers are seeing as well as the opportunities that have arisen through the channel. We also look at how our platform has developed to support advertisers and publishers, enabling them to see the devices their visitors are purchasing through.

This document covers the following:

- **How m-commerce has developed across other channels**
- **Mobile trends seen through Affiliate Window**
- **Mobile reporting**
- **The importance of affiliate tracking**
- **Impact of having an optimised mobile site in place**
- **Opportunities with publishers**

2.0 Mobile growth trends

There has been significant growth in mobile internet usage. The shift in consumers moving from feature phones to smartphones has been instrumental in this. [Statistics released by Google](#) at the end of last year reported that smartphone penetration had reached 45% in the UK and over half of smartphone users in the UK are accessing the mobile internet daily. More recent figures released by Comscore in January indicate that this figure is actually 53%.

Additionally, [tablet penetration is thought to be around 5%](#), having increased from 1.6% last year.

Due to the increase in tech-savvy Brits using smartphones and tablets, shopping through mobile devices is becoming an important driver of online shopping. Recent [research published by the IMRG](#) reported that m-commerce was up 254% in March 2012 compared to March 2011 and averaged a 300% year on year growth for Q1 2012.

Since our initial white paper, mobile has continued to go from strength to strength. More advertisers are beginning to get to grips with the benefits of mobile and this is reflected by an increased mobile presence.

With the increase in the number of advertisers having mobile solutions in place, advertising growth has accelerated across the various channels, primarily driven by search and display.

There has also been an increase in location based marketing with advertisers using mobile to drive multi channel retail sales and with the development of mobile payments, m-commerce is beginning to reach a new level.

2.1 Search

In our previous white paper we quoted research from Efficient Frontier that predicted that mobile search would account for 4.3% of search spend by the end of 2011.

The latest research from Adobe has found that mobile search spend has increased by 250% and now accounts for 11% of all search spend in the UK. This compares to 8% in the US.

Jon Beeston, Adobe Director of New Product Innovation commented that he expects to see mobile account for 15-20% of all search spend by [the end of this year](#).

In addition to this, Latitude has kindly supplied us with some of the search data that they are experiencing. They release a quarterly review of their search findings and the latest version of this report found:

- 11.9% of all website visits now come from tablets and smartphones
- 13.4% of all paid search clicks are now coming from mobile and tablet – 2.5 times as many clicks as Yahoo and Bing paid search combined
- Mobile CPCs remain cheapest despite Q4 reductions in Desktop and Tablet CPC
- Q4 mobile paid search CPC averaged £0.26, compared to tablet at £0.31 and desktop at £0.37

“Make no mistake; mobile has already taken off. Advertisers who don’t have a mobile strategy are now playing catch-up.

“By the end of 2012 we expect to see 30% of paid search clicks coming from smartphones & tablet devices. By the end of 2013 we expect that traffic volumes from smartphones & tablets will exceed desktop.

“Mobile isn’t just another digital channel either; it’s the glue that will join together all of our marketing efforts. It helps to turn TV ads, press and billboards into website visits. Then it helps to turn those website visits into ‘phone calls and store visits, as well as online transactions. It’s just not optional any more – any successful business needs to have mobile at the heart of their strategy”

Ben Wightman, Senior PPC Strategist, Latitude

The full version of the latest report from Latitude can be [found here](#). Additionally, if you are interested in receiving these updates on a quarterly basis you can contact [them here](#).

2.2 Display

Mobile display is also continuing to grow at a rapid rate. The [IAB reported](#) that mobile advertising spend more than doubled to £203m in 2011.

The provision of cheaper data tariffs has led to the rapid uptake of apps and social media and this has led to a new generation of ‘dual’ and ‘triple screeners’. Additional research from Comscore has found that 51% of Britons now watch TV while accessing the internet using tablets, phones or laptops.

With the considerable uplift in mobile internet consumption, advertisers are responding by creating ever more engaging and interactive rich media ads to enhance the mobile experience.

With the rise of apps, according to the IAB 54% of display advertising spend is now within apps while 46% is spent on browser inventory.

The top five display categories, by share of spend, in 2011 were:

Entertainment & the Media	23.2% (32.9% in 2010)
Telecoms	14.9% (14.3% in 2010)
Consumer Goods/FMCG	14.4% (11.8% in 2010)
Retail	12.3% (5.5% in 2010)
Finance	10.3% (18.6% in 2010)

(Taken from the IAB)

2.3 Location based services

Mobile marketing lends itself to location based services. With potential customers on the move, advertisers are able to use location based marketing to tempt them into stores and target them with relevant offers.

Location based advertising has been used widely throughout the performance channel, with a number of publisher apps allowing advertisers to geo target to relevant audiences. Prior to advertisers launching mobile optimised sites to allow consumers to conveniently convert online through a mobile device, location based marketing was commonly used to bridge the gap between online and offline, allowing advertisers to drive customers in store to complete their transaction.

Location based targeting is still widely used to present a truly multi-channel environment. Advertisers are beginning to become more sophisticated in automating the process, so that publishers are correctly rewarded for the sales that they drive in store. Previously this had been a manual process but point of sale redemption continues to grow in importance.

Location based services are going to play a major role in developing off line mobile purchases further. This is something that has been highlighted with [Vodafone recently taking a controlling stake](#) in leading mobile publisher Vouchercloud.

“Geo-fencing, mobile apps and smart usage of data give publishers such as vouchercloud and their partners the ability to reach consumers at a critical stage of the offline customer journey.

“Using Location based marketing through a collaborative approach will become an integral and cost effective mechanism to influence purchase behaviour on the high-street.

“Working together we can push the most relevant and profitable products and offers to the right demographic, at exactly the right time.

“With the rise of the digital wallet, NFC and the convergence of online & mobile commerce, we are in an exciting position to work together with advertisers to drive footfall, increase basket size and loyalty - a powerful combination'

Matt Wood, Head of M-Commerce & Performance Marketing, Vouchercloud

More information on publisher opportunities through location based targeting can be found in section 8.1

2.4 Mobile payments

The use of NFC technology is ensuring that mobile payments are gathering pace. A number of retailers already allow for contactless payment through debit/credit cards that support this functionality. This is something that has been extended further with the launch of [Barclaycard's paytag](#). This can be attached to a mobile phone to allow payments to be made through this device.

In addition, [Retail Week announced](#) that Aurora Fashions (parent group of Oasis, Warehouse, Coast and Karen Millen) launched mobile payments through Paypal on 31st May.

However, the adoption of mobile payments and retailers embracing this as an option is unlikely to hit the mainstream until devices begin to have chips for mobile payments pre-installed.

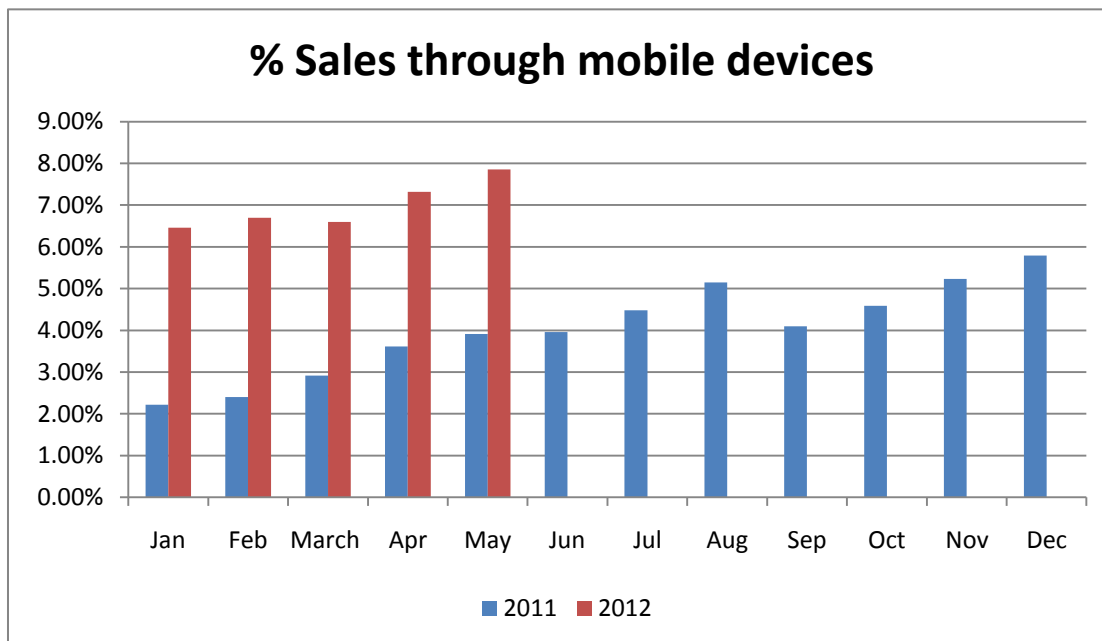
3.0 Mobile trends seen through Affiliate Window

As with other channels, we have seen the continued growth of m-commerce across the performance channel. As more and more advertisers have embraced m-commerce, our reporting has become more sophisticated in order to provide advertisers and publishers with a complete overview of their mobile activity.

3.1 Sales

We have seen a significant increase in the percentage of sales that have been generated through mobile devices since our initial white paper. In May we reached nearly 8% of sales coming through a mobile device (including tablets). This was up from 7.3% in April and 3.92% from last year.

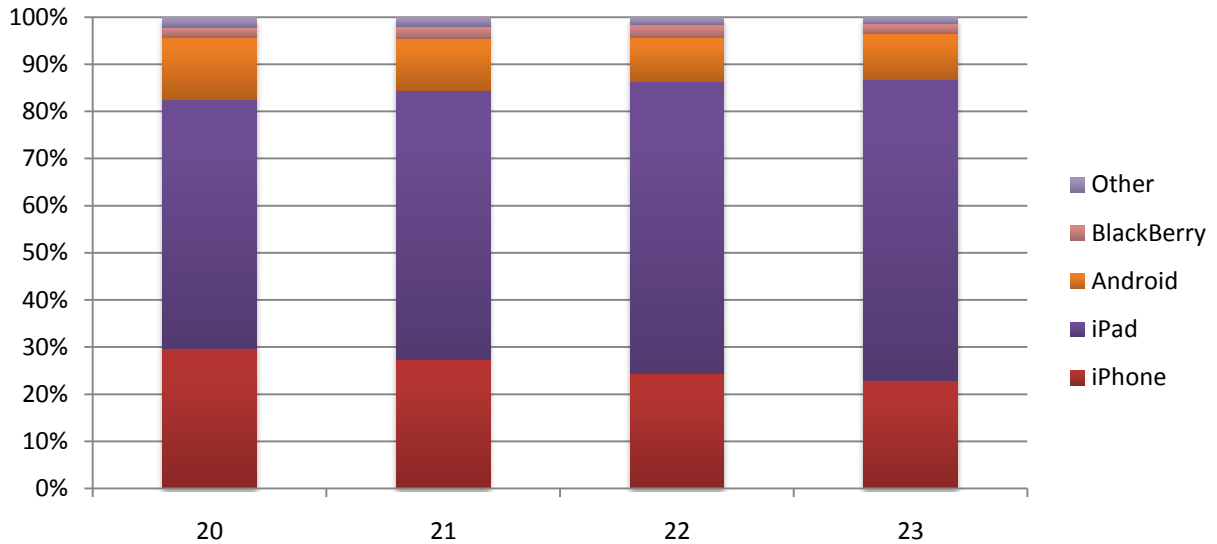
In May over 140,000 transactions came through mobile devices compared to just over 60,000 for May last year.



It is possible to look at the breakdown by device to see where the sales are coming from. This data is taken from the most recent four week period to compare current trends across the network. The iPad is still dominant in the share of sales with over half of all mobile sales being generated through this device. There becomes a point where we can no longer look at tablets as a true mobile device as they can be seen as a replacement for desktops/laptops as the preferred option for consumers to transact.

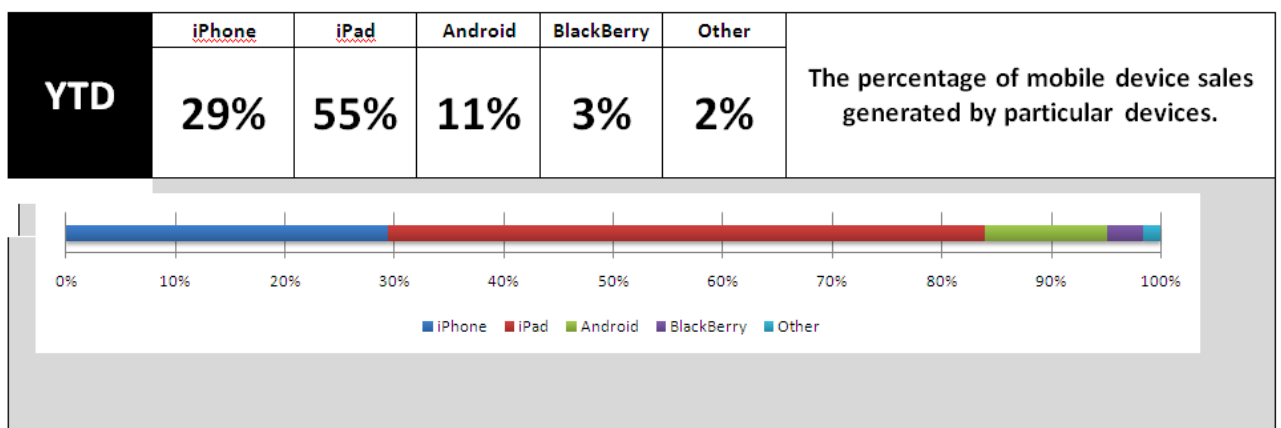
If we focus on true mobile devices and look at handsets, the iPhone is again the dominant device in terms of transactions. In May 2012 the iPhone delivered between 22% and 29% of all mobile transactions while Android devices have made up between 9.5%-13% each week. Sales from Blackberry have ranged from 3%-3.5% while 'other devices' account for under 2%

Sales



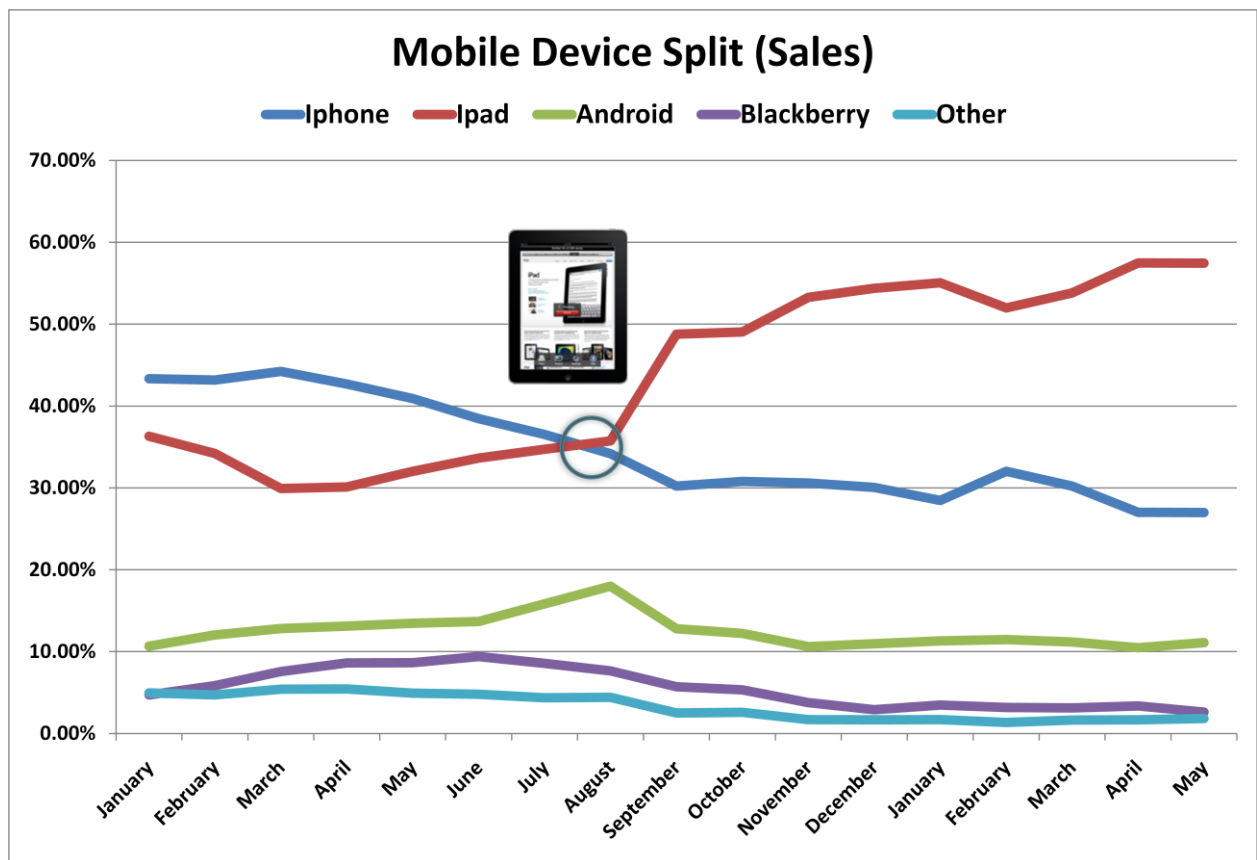
The previous four weeks data is reflective of what we have seen throughout 2012. 55% of all our mobile sales have been generated through the iPad. The dominant handset is the iPhone with 29% of all mobile sales. Android devices are still a long way off delivering the volumes that we see through the iPhone but we expect to see this gap close over the coming months with Android really driving smartphone adoption.

BlackBerry and 'other' devices account for a minimal proportion of our mobile sales.



We can also see how this has developed over time. The chart below plots the monthly split of sales by device. We have always seen a dominance of the Apple devices with Android lagging behind. In August 2011 we saw the iPad over take the iPhone for the first time. This is a trend that has continued and we expect the share of iPad (and other tablet devices) to increase further as the adoption rates increase.

With Android being at the forefront of driving smartphone adoption (often being the standard option for upgrades) we expect the share of Android sales to increase.

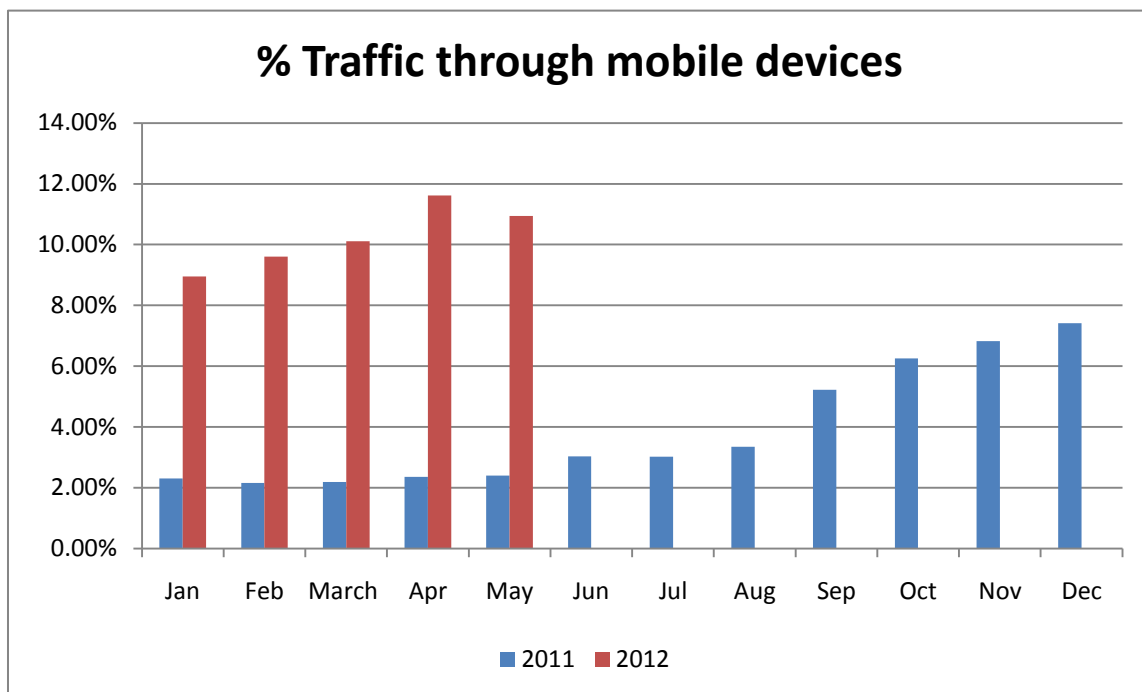


*Please note - the share of sales through mobile handsets is likely to be higher. Where an advertiser has a mobile optimised site in place but has not integrated affiliate tracking – we will not record these sales.

3.2 Traffic

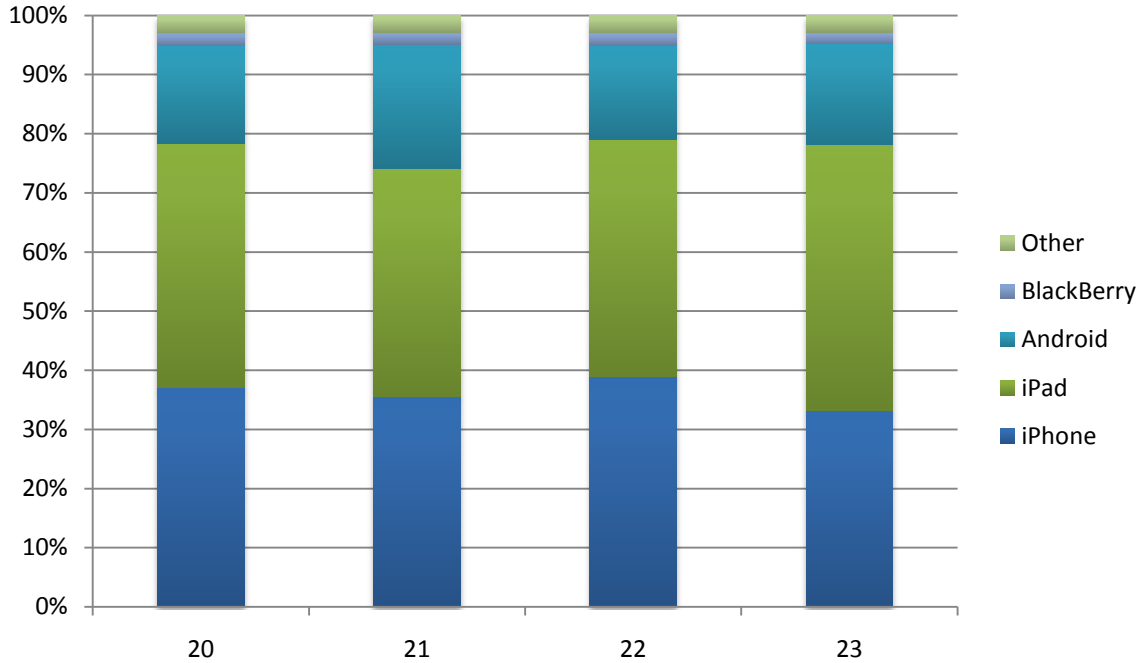
As smartphone penetration increased and internet connections through mobile devices have become more reliable, more consumers are turning to mobile devices to access the internet.

In line with these general trends, our share of traffic through mobile devices has increased significantly. In our previous white paper, traffic stood at around 3.5%. Since then, traffic through mobile devices has accelerated and our latest figures show this at just under 11%.

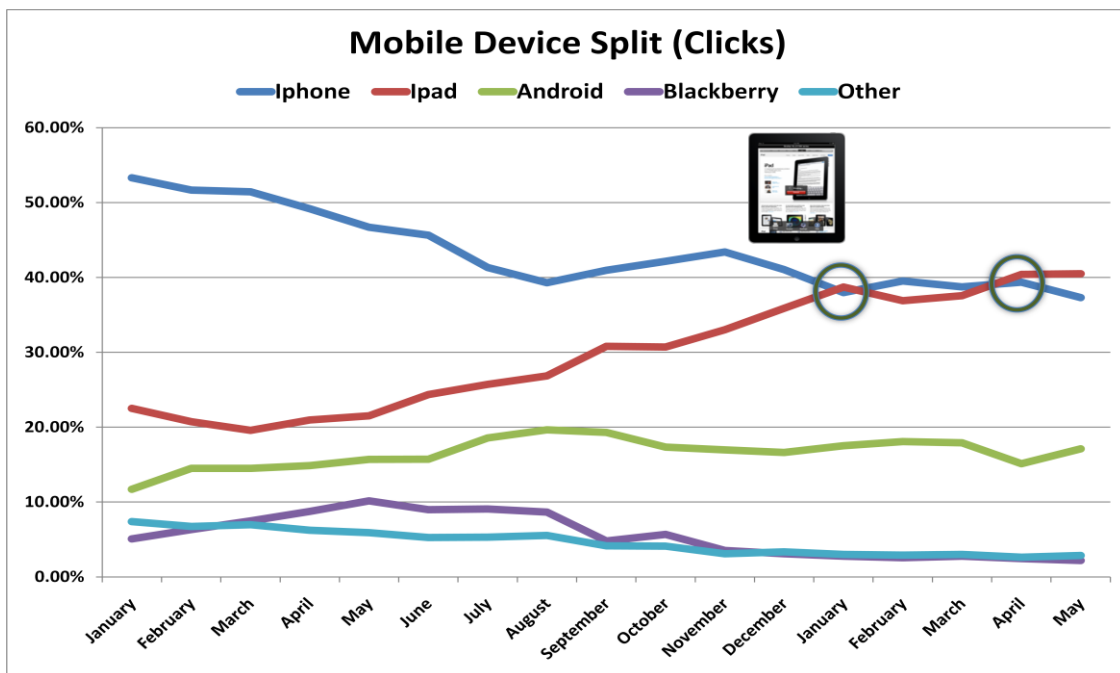


Just as we did for sales, we are able to take a closer look at the mobile devices that have generated the traffic over a four week period. There has been little variation week on week with Apple devices leading the way in terms of traffic. Both the iPad and the iPhone accounted for around 40% of total mobile traffic each week. Android has accounted for between 14% - 16% of mobile traffic each week while the Blackberry and 'other devices' have both remained fairly constant at a 2.5% share of traffic during this period.

Clicks



The split of traffic again demonstrates Apple's dominance. It is interesting to note that it took longer for the iPad to overtake in terms of traffic than it did for sales. This is a clear indication of the conversion rates of the devices. This is covered in more depth in section 3.3.



3.2.1 Sector specific traffic

We have also been monitoring the split of our mobile traffic within the various sectors across the network. The table below demonstrates the percentage of our total mobile traffic for each sector. This is benchmarked against the split of our desktop traffic for comparison purposes.

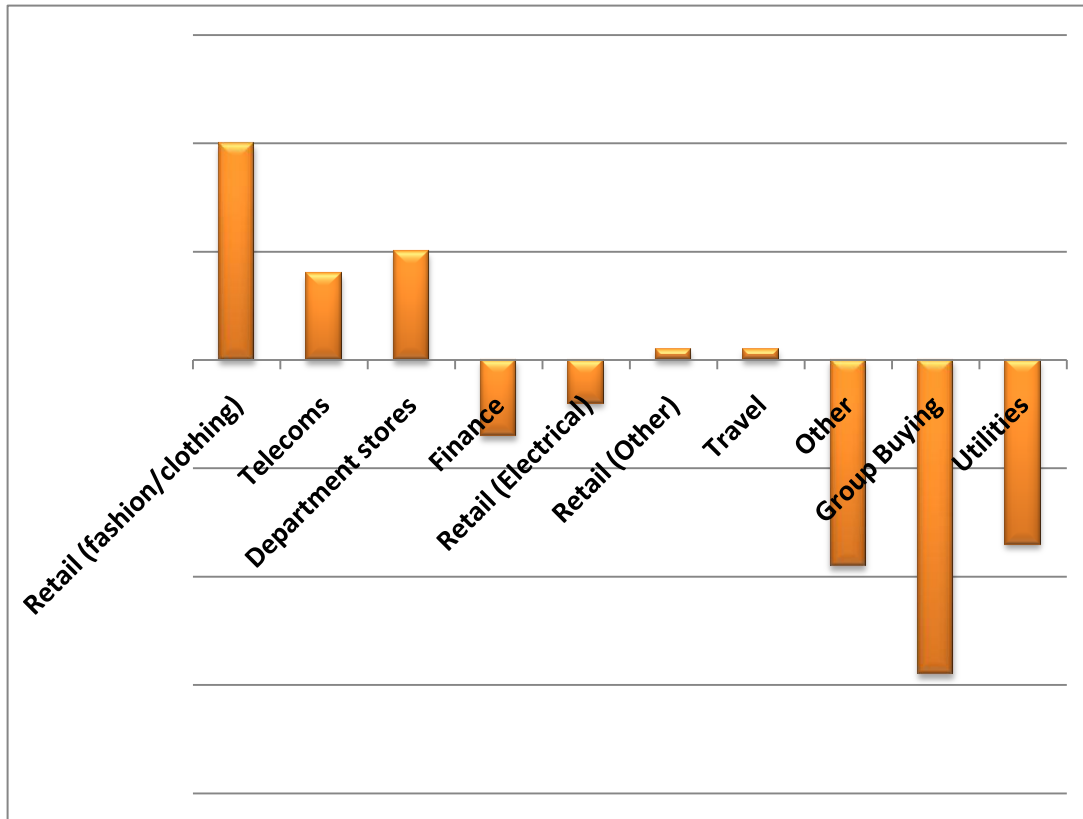
Sector	Mobile (inc Tablet)	Tablet	Mobile Handsets	Desktop
Retail (fashion/clothing)	35.18%	35.78%	34.76%	28.56%
Retail (Electrical)	13.99%	13.62%	14.24%	15.26%
Group Buying	10.21%	8.21%	11.61%	12.61%
Retail (Other)	10.51%	11.33%	9.94%	11.98%
Other	8.84%	8.93%	8.77%	11.26%
Department stores	8.04%	8.60%	7.65%	7.16%
Travel	6.92%	7.84%	6.27%	7.17%
Telecoms	5.44%	4.86%	5.85%	4.92%
Finance	0.77%	0.70%	0.82%	0.92%
Utilities	0.10%	0.11%	0.10%	0.17%

Given our heritage as a network with a significant number of the leading retail brands, it is unsurprising the majority of our mobile traffic is directed towards our retail clients. Leading the way with 35% of all our mobile traffic is fashion/clothing retail. This is above the percentage of desktop traffic the category receives (28.56%)

Electrical retail (13.99%) and Group Buying (10.21%) have the next highest share of our mobile traffic however these are both below the split of our desktop traffic (15.26% and 12.61% respectively).

Telecoms is the only other sector where we see a higher proportion of our mobile traffic as opposed to desktop, yet this is a relatively small share of mobile (5.44%) vs. desktop (4.92%)

In addition to this, we have also been monitoring the split of traffic by sector to see which sectors over/under index above our network average (11.6%). The sectors that sit above the line are receiving a higher volume of mobile traffic against this network average.



Again, we see that fashion/clothing retail is over performing in terms of mobile traffic. As well as being the sector we see most of our mobile traffic directed to, it is also a sector that has the highest split of its traffic through mobile devices – significantly higher than the average we experience.

Telecoms, Department Stores, Retail (other) and travel all over index compared to the average while Finance, Retail (Electrical), 'other', Group buying and utilities all under index.

By understanding the sectors that receive the greatest proportion of mobile traffic, advertisers are able to see the potential for providing these visitors with an optimised mobile experience to be in a position to convert them – whether this is online or as a mechanism to drive footfall to stores.

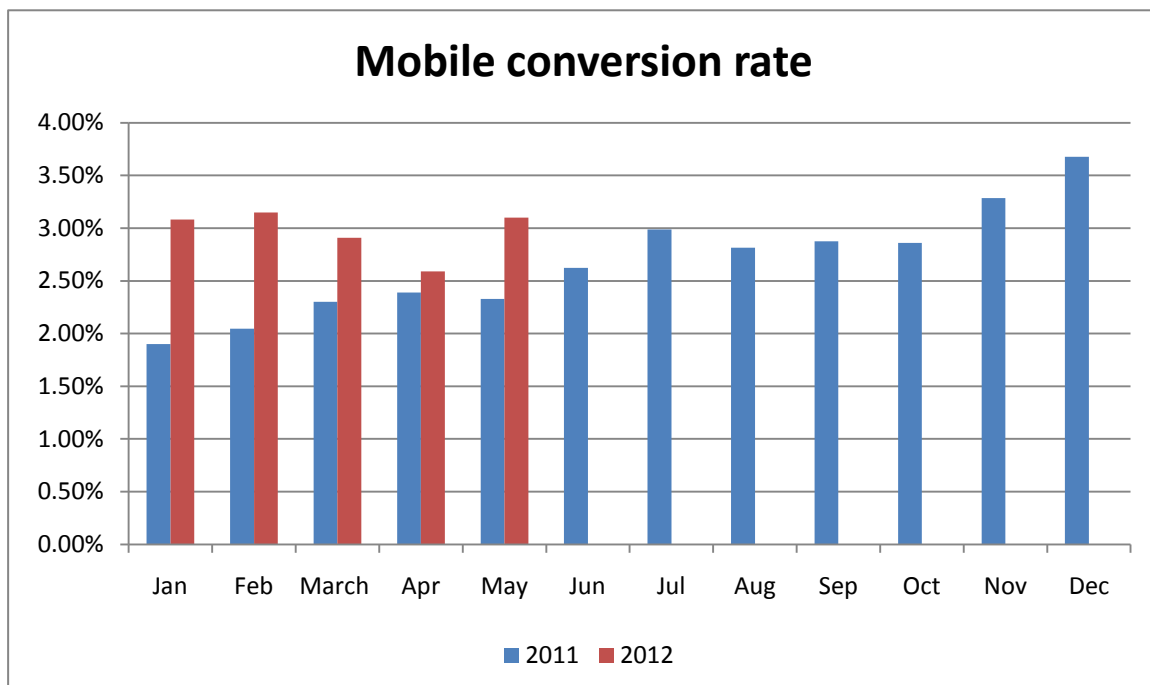
3.3 Conversion rates

We have seen a drop in the conversion rates across mobile devices. Having peaked at just over 3.5% in December when consumers were turning to mobile devices to purchase gifts and take advantage of the sales, our latest stats show that mobile conversion rates are just above 3%.

There are two main reasons behind the drop off that we are experiencing:

- 1) There are still a number of advertisers across the network that have not embraced mobile. This leads to a poor consumer experience when arriving at a site through a mobile device and a drop off in conversion. We are seeing conversion rates improve significantly where a mobile optimised site is in place.
- 2) Where an advertiser has an optimised site in place but has not included affiliate tracking, the conversion will not be tracked. It is essential that affiliate tracking is added so that mobile activity can be correctly reported and optimised. Without affiliate tracking in place advertisers could be missing out on a wide range of opportunities through the performancechannel.

Additionally, consumers are also using their mobile devices to search for information rather than actually make a purchase. This could be searching for a phone number or looking up the location of a store. Savvy advertisers can capitalise on this by utilising call tracking or providing an incentive for a consumer to purchase in store. This is covered further in section 8.4.

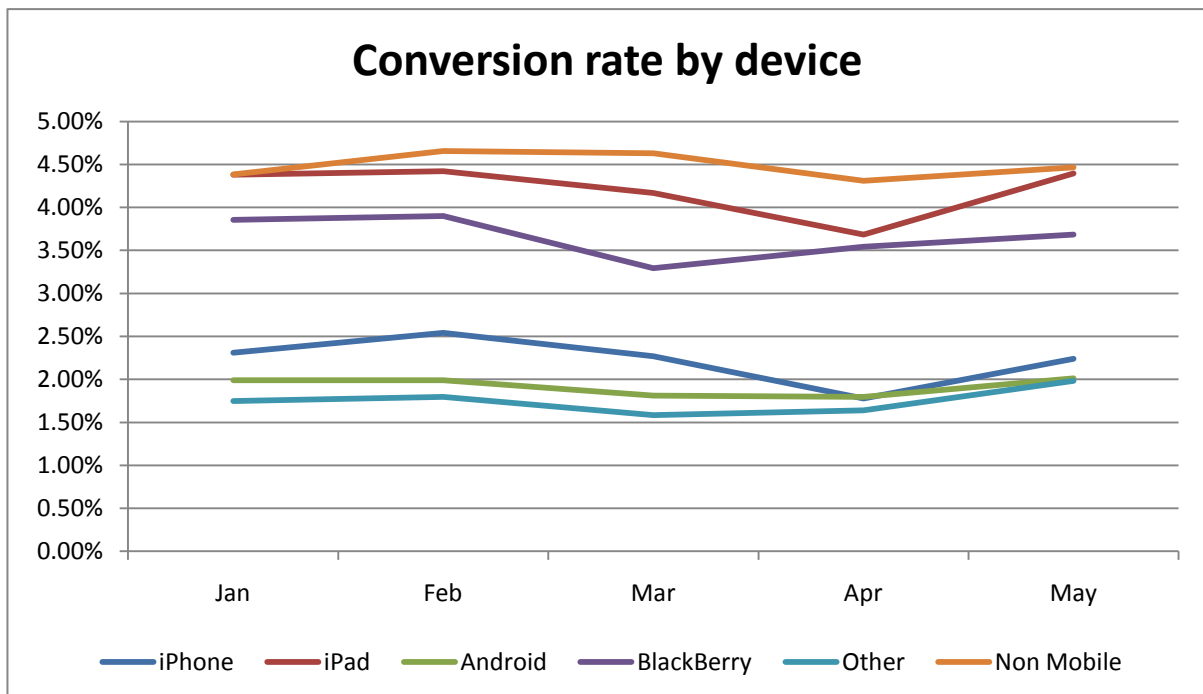


As well as looking at the conversion rate through mobile devices as a whole, it can also be broken down by device in order to split out tablet traffic and compare each device against what we have seen for desktop. The chart below looks at the conversion rate by device for the year so far.

Desktop traffic continues to convert at the highest rate although improvement in conversion rates for the iPad saw this come in line with desktop conversion rates.

Of all the mobile handsets, the Blackberry has consistently converted at the best rate (albeit from a significantly lower proportion of traffic). In April the gap between Blackberry and the iPad closed further, with the Blackberry converting at 3.52%. The improvement in iPad conversion widened the gap further in May.

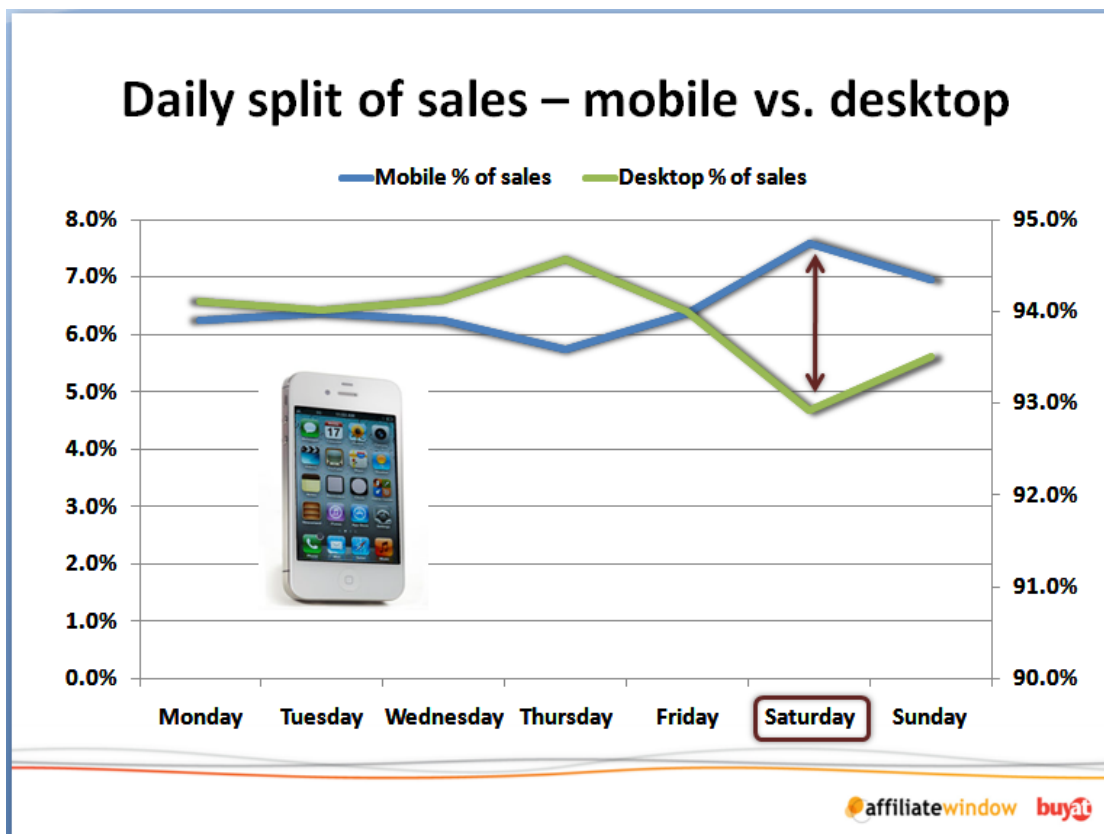
The conversion rates of the iPhone, Android and 'other devices' all picked up in May – the iPhone recovering from a slump in April. As more advertisers begin to integrate affiliate tracking we would expect conversion rates to pick up across all handsets.



3.4 Sales by day of the week

We have also been monitoring the days of the week where we see mobile sales increase. The graph below benchmarks desktop and mobile sales against one another so we can see the daily trends. We see sales through mobile peak over the weekend, whereas we see desktop sales peak during the week – typically on a Thursday. This is not highly surprising as people tend to be at home or out and about while accessing the internet over the weekend.

This highlights the potential for advertisers to target relevant deals to mobile consumers over the weekend. There is an upsurge in traffic and these consumers have shown themselves to be ready to convert at the weekend.



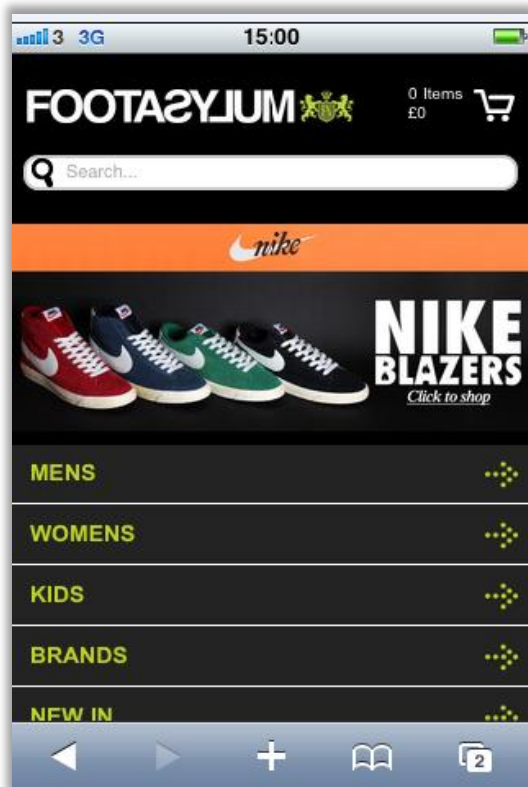
(Please note, these figures are relative – not absolute)

4.0 Advertisers with mobile sites

As mobile commerce has continued to grow we have seen more advertisers optimising their sites for mobile usage. With increasing amounts of traffic coming through mobile devices it is important that advertisers are in the best position to convert these visitors. By having a mobile optimised version of the site, consumers are presented with a user friendly experience when arriving through a smartphone. It makes the site easier to navigate, view product descriptions, add products to a basket and ultimately check out. We have seen conversion rates through a mobile optimised version of a site increase significantly.

The screenshots below compare a mobile optimised version of a site versus the standard e-commerce site when viewed through a mobile device.

Mobile Optimised Version:



Non Optimised Version:



5.0 Benefits of mobile optimised sites (with tracking in place)

In order to highlight the benefits of having a mobile optimised site in place, we have looked at various aspects of the impact of having a mobile optimised site. As well as being in a better position to convert it was also evident that visitors through mobile were spending more through an optimised version of the site than they were when being directed to the full e-commerce site.

5.1 Uplift in sales through a mobile checkout

With the volume of traffic through mobile devices experiencing exponential growth, advertisers that have mobile optimised sites are in a better position to be able to convert this traffic.

One such advertiser is Foot Asylum. We saw the split of sales coming through mobile devices increase from just under 1.5% to an incredible 14% within six months of the mobile optimised site being in place.

In addition, revenue generated through mobile handsets increased by a staggering 500% in this six month period.

“With the growth of m-commerce we were seeing a high proportion of our visitors coming through mobile devices. However, the challenge for us was to take advantage of this mobile activity and convert this traffic. When a potential customer arrived through a mobile handset and was presented with the e-commerce version of the site, they were faced with a fiddly process in order to transact. This ultimately resulted in a drop off in conversions. We enlisted the help of One Iota to develop a crisp and clean mobile site, with a smooth transaction process. Since we launched the mobile optimised version of the site, results have been phenomenal. In just 6 months we saw our share of sales through mobile devices increase from 1.5% to 14%. Not only that, mobile visitors transacting through the mobile optimised version of the site are spending more. We expect to see this increase further over the remainder of the year”

Emma Ryder, Online Marketing Assistant, Foot Asylum

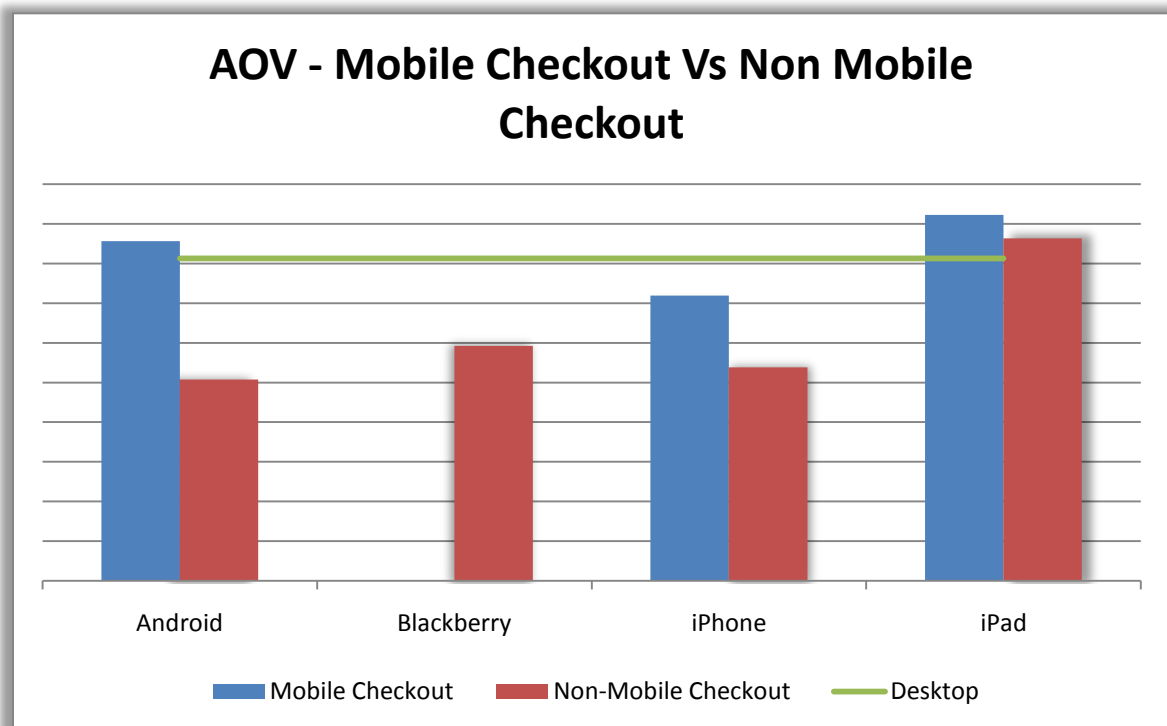
A full version of the Foot Asylum case study can be [found here](#).

5.2 Improved AOV through a mobile checkout

Customers that purchase through a mobile optimised version of the site are spending more on average than those visiting a full e-commerce site (or desktop version) through a mobile device.

We have been able to investigate advertisers that have an optimised mobile site in place complete with affiliate tracking. We have found that average order values through the mobile optimised version of the site have increased significantly since being launched. For one advertiser, Android devices have demonstrated greater AOVs than desktop and are 40% higher through the optimised version of the site compared to visitors transacting through the full e-commerce version through a mobile device.

Similarly, basket values through the iPhone saw a 25% increase when compared to transactions through the full e-commerce version of the site.



By understanding the shift in consumer purchasing habits, advertisers who have embraced m-commerce have been able to take advantage of the opportunities that mobile presents.

5.3 Shorter lag times through a mobile checkout

Mobile commerce offers convenience to consumers. With a mobile optimised site in place it provides a seamless process for customers to transact when on a site. As well as seeing an increase the percentage of sales that are converted through mobile devices and average order values increasing, we have also seen that shorter sales lag times are commonplace through a mobile optimised checkout.

For an advertiser that works within the gift sector, customers often leave their purchases for events such as Valentine's Day and Mothers Day until the last minute. Having a mobile optimised site in place ensures they are able to convert customers as efficiently as possible in the run up to both events.

Typically, 4% of the advertiser's sales came through mobile devices. The day before each event this had risen to 6.8% and 8% of sales through mobile devices. This highlights the convenience of purchasing through a mobile optimised site when faced with time pressure when ordering.

The urgency of purchasing through a mobile device was also reflected in the lag time between click and conversion. In the run up to the major trading periods, 47.4% of all transactions through the mobile site converted within 10 minutes whereas desktop remained constant at 31.6%.

6.0 The importance of affiliate tracking

There is a fundamental disconnect between what some of the largest brands in the country are doing in the running of their affiliate campaign and the preparedness for the implications of m-commerce on publishers.

Without including network tracking on the mobile version of a site, publishers will not earn commission for the sales they have generated through these devices. When considering that m-commerce sites load by default when accessed on a mobile handset it becomes clear how problematic this is. Advertisers who have embraced mobile and have developed mobile optimised sites may miss out on a plethora of opportunities that present themselves through the performance channel if they neglect the importance of adding affiliate tracking.

Mobile traffic has been increasing month on month and our figures show no signs of this growth slowing. It is important that advertisers are fully prepared for this shift in consumer behaviour and change in purchasing habits. Developing a mobile optimised version of a site will certainly help improve the user journey and provide the ability to convert a higher percentage of this mobile traffic. To make the most of the channel and the increased reach that it opens up for advertisers, it is vital that affiliate tracking is put in place.

Each of our advertisers that have a mobile site in place complete with affiliate tracking are [listed here](#). This list has grown rapidly over the past few months as more embrace m-commerce and understand the importance of adding affiliate tracking.

If you are an advertiser that has affiliate tracking in place on your mobile site but are not included in this list, please contact strategy@affiliatewindow.com so this can be updated.

7.0 Reporting

Reporting plays a vital role in understanding the importance of m-commerce. We have been highlighting the necessity for brands to consider publishers when devising their mobile strategy. To this end, since our first mobile commerce white paper, we have launched a number of platform improvements designed to highlight the opportunities within m-commerce.

7.1 Developments to our platform

Advertisers' programmes are now marked as 'Mobile Optimised' if they have a mobile friendly site with advanced Affiliate Window tracking. Publishers driving sales to mobile optimised advertisers can now feel reassured sales will be tracked no matter how the user chooses to interact with the brand, whether that's through a mobile device or computer.

Publishers have the ability to discover mobile optimised advertisers by using a new filter in the advertiser directory. The information can also be found in the summary section of each advertiser's profile:

Refine Search

▼ Sector

- Finance & Insurance
- Retail & Shopping
- Telco's & Services
- Travel**
 - Airlines
 - Airport Parking & Transfers
 - Car Rental
 - Coaches
 - Cruises/Ferries
 - Hotels & Accommodation
 - Lead Gen
 - Local Holidays
 - Tourism & Attractions
 - Trains
 - Travel Agencies

▼ Product Feed

- Yes
- No

▼ Payment Status

- Green
- Amber
- Red

▼ Filter By

- Optimised for Mobile**

DEBENHAMS

Debenhams

ID | 2194

Summary

Debenhams offers a unique mix of exclusive own brands including Designers at Debenhams, International brands and concessions – so we can style every aspect of your lifestyle from fashion through to homes. At Debenhams.com you can discover a whole host of

Payment Status
● *Approved commissions paid to affiliates in full*



Launch Date
24 Apr 2009

Auto Validation Period
None

Mobile Optimised
📱 **Yes**

ShopWindow

Total Products
56161

60940 Nectar		40.50 (breakdown)
71759 Core8		32.67 (breakdown)

In addition, it is now possible to see the device used by your customers in a number of our standard reports:

- Advertiser: Validate Pending Commissions
- Advertiser: Archived Commissions
- Publisher: Transactions

This enables our partners to identify whether a transaction was made through a computer, tablet or mobile. This is also broken down further so that the actual device that was purchased through can be determined. The data can be viewed on screen or exported via .csv or .xml downloads. With this intriguing information now available to all, the true impact of mobile on your campaigns can be seen for the first time.

“Affiliate Window has been well ahead of the game in terms of mobile data and has been providing us with great insight for a while now.

“We are able to drill down to mobile sales by device, affiliate, products bought etc. and this data has allowed us to inform the business on our mobile activities and make decisions based on this data. With this now available in the interface, it provides advertisers with the vital information they need to execute an effective mobile strategy.”

Helen Southgate, Online Marketing Controller – Strategy and Planning, BSKyB

“As a cashback site, it is vital that we are able to track any transactions that take place through both our mobile site and app. This is essential for us to be able to reward our members accordingly. If an advertiser has a mobile optimised site but has not included affiliate tracking, our sales will not be tracked. We make this very clear on both our app and mobile site so we only promote merchants that do track with affiliate links. If they do not track via mobile then we encourage our users to buy via their computer and not via mobile. With the new addition to the interface, we are able to see at a glance which advertisers will not track through mobile devices and we can exclude these advertisers.

In addition, with the extra level of reporting now available, we are able to gain excellent insight into the devices that our members are purchasing through.”

Andreas Andreou, Sales Director, Quidco

8.0 Opportunities through the performance channel

As mobile develops through the channel, more opportunities are presenting themselves to advertisers. With a growing number of retailers launching mobile optimised sites, there is an opportunity for publishers to drive sales through m-commerce as well as driving customers into stores. Advertisers who have embraced mobile are able to offer a multi-channel retail environment.

8.1 Location based marketing/incentivised opportunities

Mobile lends itself to location based marketing. Consumers carry a mobile handset with them nearly everywhere they go so there is vast potential to target them while on the move. Additionally, incentivised traffic has been dominating mobile. The nature of incentivised traffic follows the trend of how consumers are using mobile. They are looking for the best offers and lowest prices. Incentivised sites are also able to present a range of offers to consumers that have checked in to a store, using the check-in as a mechanism to release the offers.

A number of publishers have capitalised on this growth trend and have enabled advertisers to target consumers on the move. We partner with a wide range of publishers who are able to offer location based targeting.

Advertisers are able to benefit from two forms of mobile marketing – lead based and sale based.

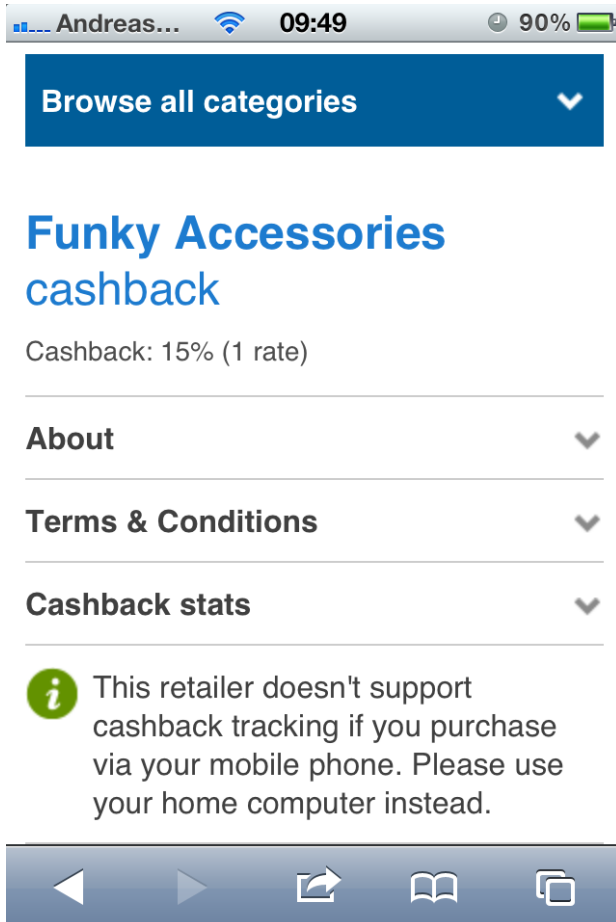
Lead based – paid for on a download based on the proximity to a store. Little integration is required on the advertiser's behalf

Sale based – paid for a completed transaction in store. Sales will be validated within the interface and this will require integration at the point of sale.

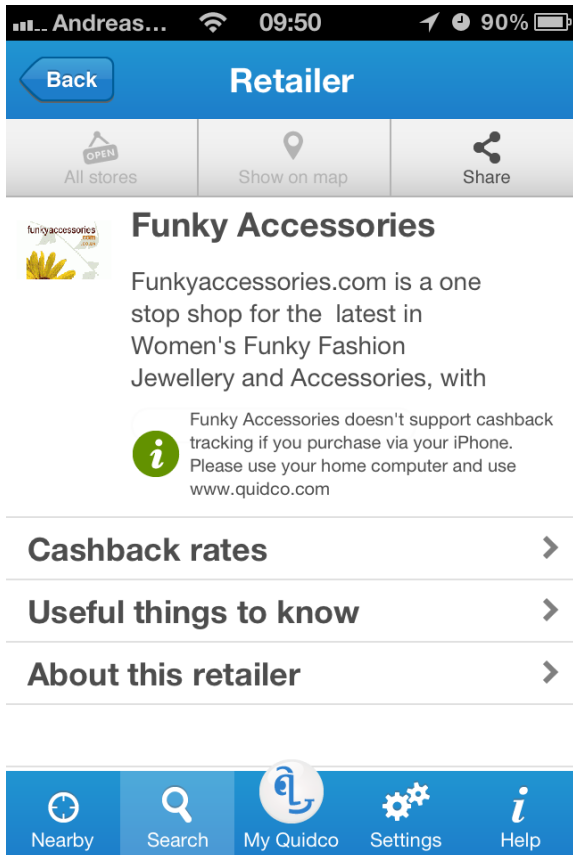
For each of these opportunities, publishers will need to be given location details of each store.

As well as being able to target consumers on the move, driving footfall into stores, incentivised traffic can also benefit advertisers that have mobile optimised sites in place. They will be able to be listed within publisher apps for the user journey to be completed online. To successfully utilise incentivised traffic sources, it is vital that affiliate tracking is in place on the advertiser site that sales through mobile devices will track correctly and the member will be paid their cashback. If an advertiser has taken the step to optimise their site for mobile, but has neglected the need for affiliate tracking, it can be harmful to the customer experience.

The example below highlights how the customer journey through a mobile handset is disrupted due to the fact that affiliate tracking is not in place. Any retailer without affiliate tracking on their m.commerce site could lose sales, and even worse, these sales could be lost to a competitor.



(Disruptive user journey as seen through the Quidco mobile site)



(Disruptive user journey as seen through the Quidco mobile app)

8.2 Mobile price comparison

There are a number of publishers that offer price comparison apps. By scanning a barcode on a product, these apps will allow consumers to compare prices for the item. When shopping through price comparison apps, advertisers with sites that have been optimised for mobile will be in a better position to convert this traffic.

8.3 Paid search

As the section on growth trends (section 2) indicates, volumes of search queries through mobile devices are growing rapidly. By the end of the year mobile search spend is anticipated to be as high as 15-20%. With space for paid for ads at a premium on mobile devices, it is important that a paid for search strategy is executed effectively.

We work closely with a number of mobile search specialists who can help to implement a successful strategy, to make the most of the increased number of searches coming through mobile devices.

8.4 Call tracking

With the rise in traffic through mobile devices, it is important to ensure that publishers do not lose out on sales through mobile devices. A significant proportion of mobile traffic could be from consumers looking to find contact details and potentially convert over the phone. This is particularly relevant for a sector such as insurance products for example. Insurers with mobile sites tend to push visitors to call for a quote as filling in a form on a mobile device can be fiddly. By implementing mobile call tracking, advertisers can ensure that publishers will not miss out on sales that they have driven over the phone.

Freespee, Europe's largest call advertising company which has partner network in 15 countries, sees mobile advertising growth facilitating consumers' willingness to take instant action after the click. "In search, we are seeing 400% more calls from mobile ads compared to online - still over 90% of our calls originate from desktop search and display advertising", says the company's founder and CEO Carl Holmquist. Freespee's partners deliver as many as 10 000 qualified calls to the advertisers during a typical workday.

"Only 1% of advertisers' spending goes to mobile at the moment and we see that the biggest barrier is the lack of conversions and direct response actions in the channel. Click-2-Call from mobile campaigns is the answer in any service industry - as long as the advertisers have priority lines for calls from ad campaigns. The consumer doesn't want to wait - after instant action they expect instant service. On qualified calls the sales conversion rate is very high, 20-60%, which means that the advertiser is willing to pay typically £10-£40 per call. Our partner networks have seldom witnessed as high EPC and eCPM rates from online campaigns that they see from well designed mobile Click-2-Call campaigns", Holmquist concludes.

With call tracking in place, advertisers can benefit from further mobile opportunities.

To find out more about potential partnerships within the mobile space, our [Publisher Services](#) team will be happy to help.

9.0 Summary

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

We have seen traffic through mobile devices accelerate over the past year. Savvy advertisers are doing all they can to embrace this. Those that 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.

Advertisers that have developed their mobile offering have not only benefited from an increase in sales coming through mobile devices, customers are also spending more per order when hitting a mobile optimised site as opposed to the full e-commerce version of a site.

We have seen a number of large advertisers launch sites with our 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.

10.0 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.

Further reading around m-commerce can be found in the [A4U Mobile Commerce Report](#) in association with Affiliate Window. In addition, if you missed our initial white paper, a copy of this can be [found here](#).

We also produce regular updates of our mobile statistics in our monthly strategy newsletter. If you are not yet signed up to receive this please contact strategy@affiliatewindow.com.