Quarterly Digital Intelligence Briefing



The Quest for Mobile Excellence

in association with Adobe

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1 Foreword by Adobe

A year is a long time in the world of mobile as smartphones, tablets, and even wearables are becoming more embedded in our lives as consumers.

This research comes 12 months after Econsultancy and Adobe published the Finding the Path to Mobile Maturity report[1], giving us a great opportunity to assess the progress that companies have made in the intervening period. This year's research is based on a global survey of nearly 3,000 marketers and digital professionals, providing another robust data set with which to compare last year's findings.

It is clear from the research that there is cause for optimism in terms of the mobile maturity of businesses generally, but also areas in which brands can improve their mobile experiences. Many companies have moved out of the laggard camp and started to take mobile optimisation seriously. Indeed, there is a small but growing proportion of businesses who now describe themselves as 'mobile-first', around a fifth (19%) of organisations compared to 13% last year. In many sectors it is these companies that are most likely to succeed in the customer-driven future.

But it is no surprise that many companies still haven't been able to formulate an overarching strategy for mobile, when this is something that cuts across so many different business functions. It is clear from this report that too much mobile-related development and marketing activity is occurring in business silos. Less than a third of companies (30%) agree their mobile activities are 'central to the overall business and how they engage with customers'.

Furthermore, only 22% of companies agree they have a centralised mobile team (e.g. a centre of excellence) which is responsible for defining an integrated strategy for reaching and engaging consumers across mobile experiences. And only 13% of company respondents say that every team or department has set a mobile-specific key performance indicator (KPI).

Despite research which shows the difficulty of getting consumers' attention, mobile apps continue to be an area where companies are putting a lot of focus. Almost half of companies (49%) say they employ mobile apps (up from 35% last year), for a range of different use cases including content (81% of companies), interaction (60%) and gaming (13%).

[1] https://econsultancy.com/reports/quarterly-digital-intelligence-briefing-finding-the-path-to-mobile-maturity/

Despite this growth in apps, measurement is still often superficial. Three-quarters of companies (76%) measure number of app downloads but only a minority of companies use a range of other important metrics including recurrent usage (48%), time spent (41%), revenue / leads generated (40%) and conversion rate (38%).

We have highlighted apps here because we believe that it is a good example and microcosm for mobile as a whole. More measurement and optimisation are needed to make sure that mobile-related initiatives are performing against business objectives. At Adobe, we are committed to helping companies develop and optimise for mobile across all of our solutions, and we are confident that our technology can be the difference between success and failure in an increasingly customer-centric and mobile world.

We hope you enjoy reading this report; we look forward to having a conversation around these findings in the months to come.



Mark Zablan
President,
Adobe EMEA



2 Companies rise to the mobile challenge

While this report will show that there are opportunities for improvement, it is worth reflecting on the great strides that companies have taken to make the customer experience more mobile-friendly. It can be seen in *Figure 1* that significantly more companies than a year ago are optimising for mobile in a range of different ways, including employment of a mobile-optimised site (+35%), mobile-friendly email (+15%), responsive (+26%) or adaptive design (+92%) and mobile apps (+40%).

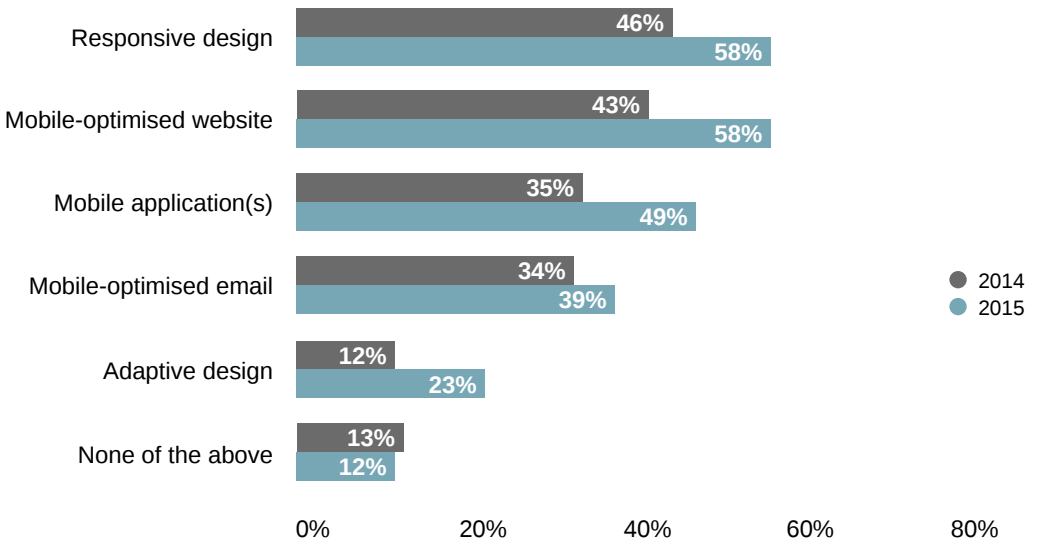
Compared to a year ago, when we published the Finding the Path to Mobile Maturity Quarterly Digital Intelligence Briefing, it is abundantly clear that progress has been made.

Based on this global survey of 2,973 digital professionals, we have evidently passed a tipping point, with the majority of companies actually doing something about the mobile experience, rather than simply thinking it might be a good idea. The reason for this step change is that mobile can no longer be ignored – we are all now facing a deluge of data which points not just to an increase in smartphone and tablet usage, but also to an increasing amount of revenue attributable directly to mobile devices.

Senior business executives, who are just as addicted to their devices as everyone else, are also seeing the reporting which shows that the amount of sales from mobile are no longer negligible. There is also growing evidence of the role of mobile in the overall customer experience and as an influencer of offline buying.

Company respondents

Figure 1: Which of the following have you employed as part of your attempts to optimise for mobile?

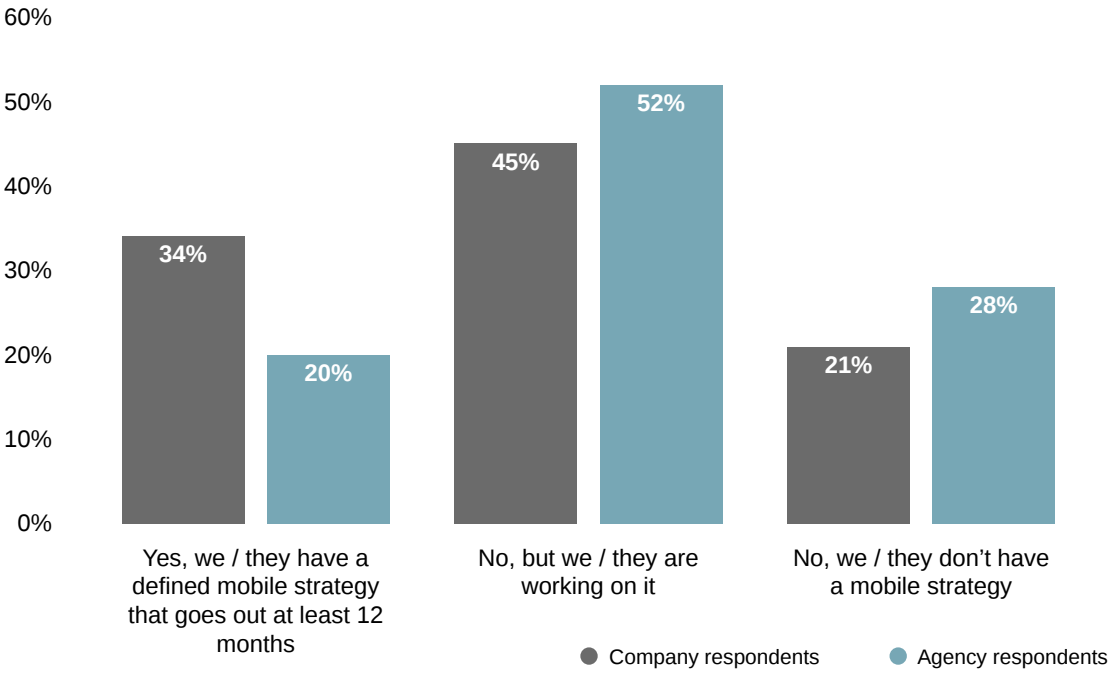


Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Respondents 2015: 1,412
Respondents 2014: 279

It is abundantly clear that great strides have been taken

Figure 2: Does your organisation (or do your clients) have a mobile strategy?



Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Company respondents: 1,402
Agency respondents: 1,115

This is all positive news. But it is clear that the increased use of certain mobile tactics or practices is not necessarily born out of an overarching strategy. It can be seen in *Figure 2* that only a third of companies (34%) claim they have a 'defined mobile strategy that goes out at least a year' and 45% say they are working on it. Agency respondents are more sceptical, saying that from their perspective, it's only actually a fifth of companies (exactly 20%) who have a strategy.

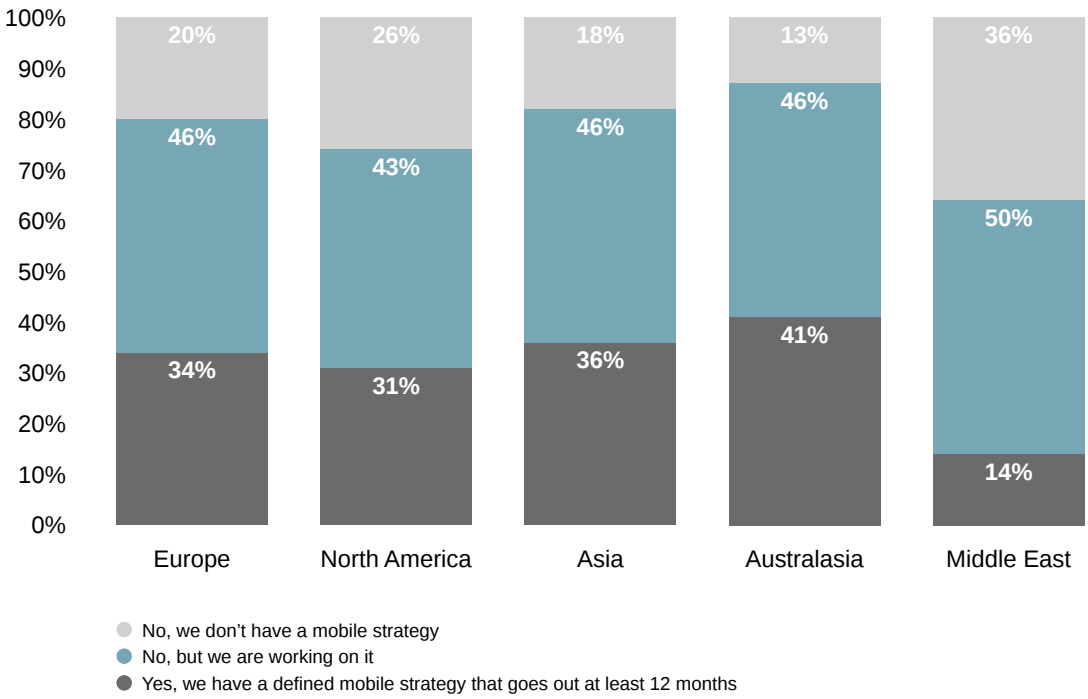
Figure 3 shows some noteworthy regional differences. There is roughly the same likelihood that companies in Europe and Asia have a mobile strategy, 34% and 36% respectively. US organisations are slightly less likely (32%) while for Australasian companies this increases to 41%. Meanwhile the Middle East (13%) has the fewest organisations with a mobile strategy, though on the plus side, half of companies there are planning one.

For all regions it can be seen that those who have a mobile strategy are outnumbered by those who are planning one, underlining how relevant this topic is to businesses across a range of sectors.

Those who have a mobile strategy are outnumbered by those who are planning one

Company respondents – regional comparison

Figure 3: Does your organisation have a mobile strategy?



Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Respondents: Europe: 701 | North America: 281 | Asia: 206
Australasia: 105 | Middle East: 42

3 The desktop bias

On average, businesses surveyed for this research report that 31% of their total digital traffic is now via mobile (*Figure 4*). Additionally, the proportion of those saying that over 40% of their digital traffic is via mobile has increased by 19% since last year (from 26% to 31%). The increased engagement with brands via portable devices has cemented its position as one of the most disruptive trends for companies in decades.

Smartphones are within arm's reach constantly and, importantly, they're very personal devices. So as a result consumers expect brands to respond to complaints at all times, and communicate to them as individuals. As a result it's forced marketers to completely re-evaluate how they engage and retain customers.

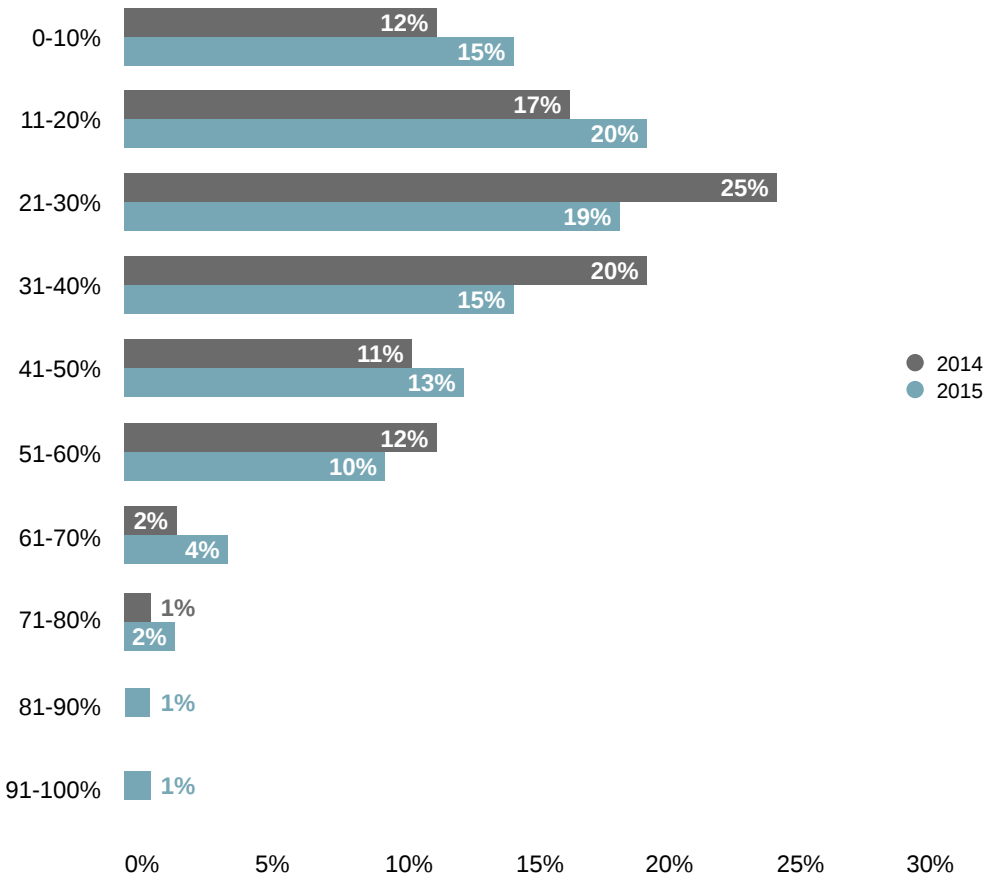
Companies have also been empowered by technology, in particular responsive and adaptive design. This has enabled them to think beyond replicating traditional desktop experiences, to creating mobile environments that can leverage specific handset functionality, not to mention contextual information such as location.

Ecommerce has also matured significantly; digital teams are smarter and more agile when it comes to using data to optimise the user experience. The research also found that, on average, more than a fifth (21%) of ecommerce revenue is transacted directly on mobile devices.



Company respondents

Figure 4: How much of your total digital traffic is via mobile devices?



Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Respondents 2015: 1,198
Respondents 2014: 292

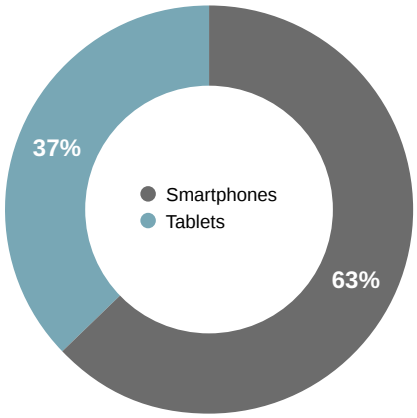
Companies need to understand the differences in behaviour between smartphone and tablet users, as how consumers engage with a relatively tiny screen on the move will differ hugely from how they interact with a tablet while they're sitting on the sofa at home.

Figure 5 shows that while smartphones continue to account for the largest proportion of mobile traffic (63% on average), tablets are already taking a fast-rising share of traffic (37% on average) and shouldn't be ignored.

The majority of online purchases are still completed through desktops

Company respondents

Figure 5: What is the traffic split between tablets and smartphones?



Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Respondents: 444

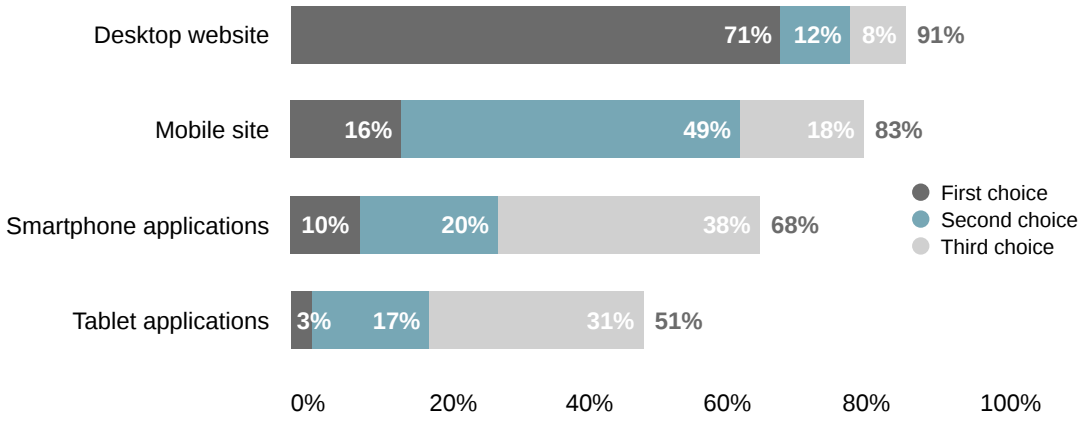
While there's never been a more creative or exciting time in mobile marketing, it's a rapidly changing and complex ecosystem. Marketers have to split their time across multiple devices, platforms and app stores. They also have to keep up with consumer expectations, while competing in a crowded marketplace.

Despite the proliferation of channels, the majority of marketers surveyed for this report (71%) ranked desktop websites as their first choice for providing a consistent customer experience (*Figure 6*).

This reflects the fact that the majority of online purchases are still completed through desktops, with mobile commerce dollars still lagging traffic. In the UK, IMRG data revealed that mobile accounts for 40% of all online retail sales[2], while in the US the percentage has been estimated to be 29% (compared to a global average of 34%).[3] For some companies, this doesn't necessarily mean that they aren't implementing multichannel strategies.

Company respondents

Figure 6: Please rank the following digital channels in importance when it comes to providing a consistent customer experience.



Econsultancy / Adobe Quarterly Digital Intelligence Briefing

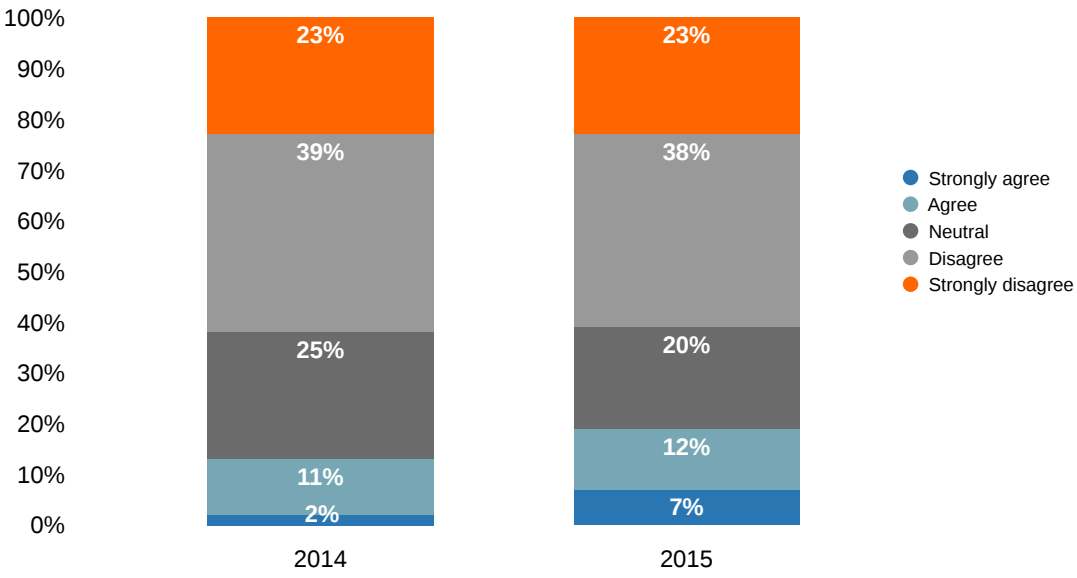
Respondents: 1,049

[2] http://www.imrg.org/index.php?catalog=1769



Company respondents

Figure 7: ‘We are a mobile-first organisation’



Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Respondents: 508

For example, as shown in *Figure 1*, 58% of companies are optimising for mobile via responsive design (up by 26% on the previous year). Further analysis of the data also revealed that three in five respondents who ranked desktop websites as their first choice use responsive design.

But consumers are also browsing and researching on mobile, and they’re using handsets as in-store virtual shopping assistants. It’s therefore more important than ever to make the transition between different channels as consistent as possible, in addition to leveraging cross-channel data to optimise the customer journey.

Marketers need to think about where mobile sits in the overall customer journey. It’s not another channel or silo – it’s the linchpin that holds the entire cross-channel marketing experience together.

Companies that continue to look at mobile as just another channel will struggle to differentiate their brand in 2015. Only 19% agreed with the statement *‘we are a mobile-first organisation’* although, on a positive note, this represents a six percentage point increase compared to 2014 (*Figure 7*).

By default consumers expect consistent, relevant messaging irrespective of their chosen device. They also have raised expectations about the customer journey, expecting seamless experiences. Being mobile-first provides companies with a platform to engage more often and influence purchase decisions, often in new and innovative ways.

By default, consumers expect consistent, relevant messaging irrespective of their chosen device

It also means thinking about who your customers are; how they are using mobile devices, and then integrating your products or services according to the habits and behaviour which are being exhibited.

Despite the importance of mobile as a channel for engaging, connecting and building loyalty, it's an area that companies are struggling to orientate their business towards, with less than a third (29%) agreeing that *'mobile activities are central to our overall business and central to how we engage with the customers'* (*Figure 8*).

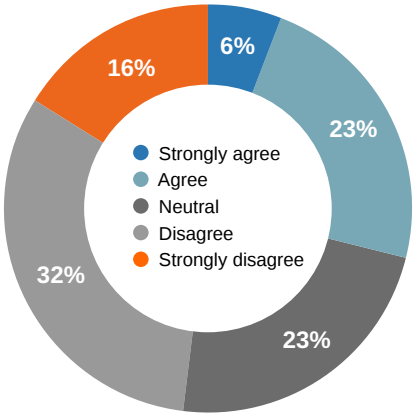
This reflects the challenge that companies face lifting mobile out of organisational silos, a challenge that has been emphasised during numerous roundtable discussions at recent Econsultancy events around the world, where marketers have for example often mentioned the challenges they face communicating the value of mobile to senior management.

Mobile is often seen by boardrooms as something which is 'new and trendy', with senior executives in some cases pushing for the development of a responsive site simply because "everyone else is doing it". In these cases, work is often outsourced to control costs, or tasked to individual departments which are often under-resourced.

This limits the ability of companies to recognise inputs from different teams and departments, particularly in terms of sharing customer feedback to assist with ongoing development (in addition to the creation of 'surprise and delight' moments that can improve the customer experience).

Company respondents

Figure 8: 'Our mobile activities are central to our overall business and how we engage with customers'



Econsultancy / Adobe Quarterly Digital Intelligence Briefing Respondents: 509

4 Investment and experimentation

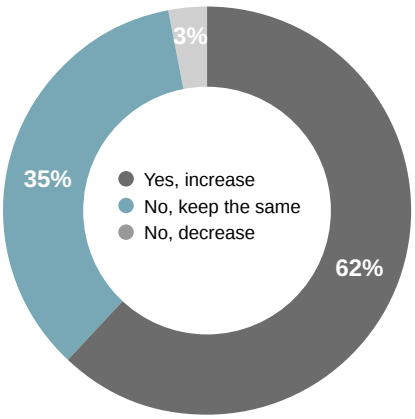
In order for organisations to truly maximise the opportunities mobile has created, a greater effort must be made to address its perceived lack of importance behind the desktop in the digital and overall experience. Clearly, companies are still attempting to figure out how best to proceed with their mobile efforts.

With that in mind, it is safe to assume that the changing processes, technologies and people that come with integrating new capabilities into a business are having an effect on budget and spending. While the research does illustrate this, it also points to some interesting trends that are worth exploring.

Based on the chart below, it appears that companies are at least attempting to balance the preference held internally towards the desktop experience identified earlier in the report. Nearly two-thirds (62%) of company respondents stated that they intend to increase their mobile investments in 2015.

Company respondents

Figure 9: Are you planning to increase your mobile investments in 2015?



Econsultancy / Adobe Quarterly Digital Intelligence Briefing Respondents: 1,199

This is to be expected, given how crucial mobile has become to organisations in all sectors and of all sizes. On average, organisations say that mobile accounts for 15% of their overall digital spend. Those planning to assign a larger proportion of their budget to mobile indicate they'll increase their investment by an average of 25%.

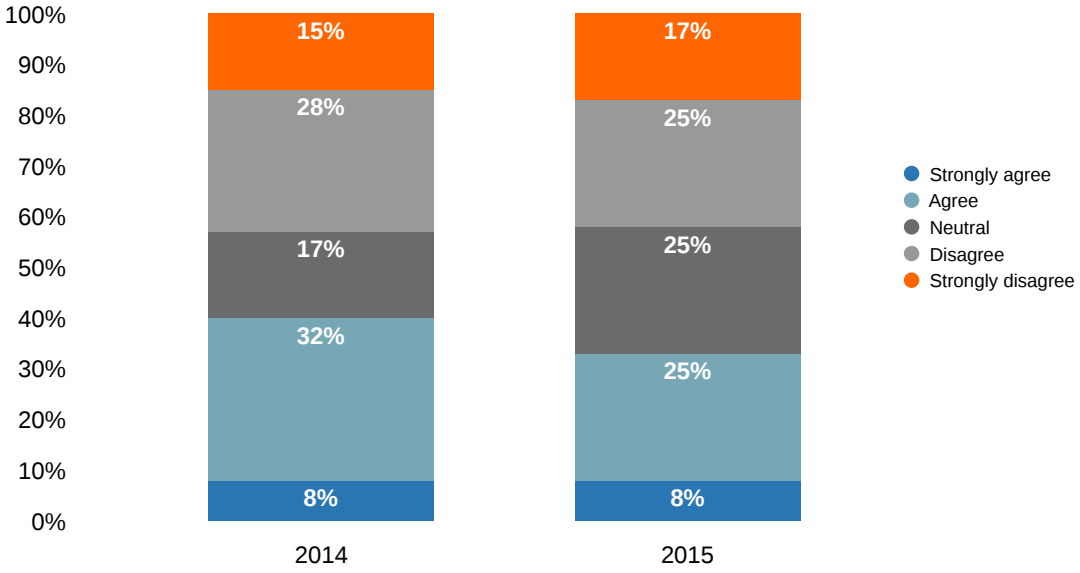
However, while this is seemingly a step in the right direction, the way in which this budget is being spent in relation to mobile prompts some interesting questions about the overall mobile strategy. Just one in three of the responding companies (33%) say they have budget specifically allocated to experimentation over the next 12 months, which is actually 18% less than in 2014. Meanwhile, 42% of company respondents claim to not have any budget specifically for the purpose of experimentation, just one percentage point lower than last year.



Experimentation is a critical hallmark of this current area of marketing

Company respondents

Figure 10: 'We have budget specifically allocated to experimenting with mobile over the next 12 months'



Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Respondents 2015: 505
Respondents 2014: 232

The reduction of experimentation in this area is a cause for concern. Mobile devices will only continue to grow in importance for consumers as they become more accustomed to using it in intrinsically personal ways. The mobile experience is yet to garner the degree of priority afforded to the desktop, yet in order to provide a cohesive customer experience which is being touted as the key to competitive advantage, the two should be seen as at least equals. However, companies will not be able to reach this stage without trying new techniques in the area of mobile.

There is also a broader issue at play here. Experimentation is a critical hallmark of this current area of marketing and organisational development, with most companies attempting to be more customer-centric. Taking into consideration the spending tendencies being exhibited towards mobile, if their efforts are not rife with experimentation, it begs the question: have organisations really committed to improving the mobile experience beyond quick wins? Are they looking at mobile strategically or as yet another tactic?

5 The need for mobile measurement

There's no denying that mobile is no longer just 'the second screen'. The convenience of always being within arm's reach means that it's often the first channel consumers choose on which to engage with a brand, with many viewing it as one of the most important elements aiding the purchase decision. In retail in particular, a sizeable segment of consumers exclusively access ecommerce websites using mobile devices – according to a 2014 study, more than one third of consumers in the US, and 25% in the UK use mobile exclusively to make a purchase decision.[4] Mobile is often the first port of call for consumers, so it's high time that it was elevated to the place that it deserves in an organisation's strategy.

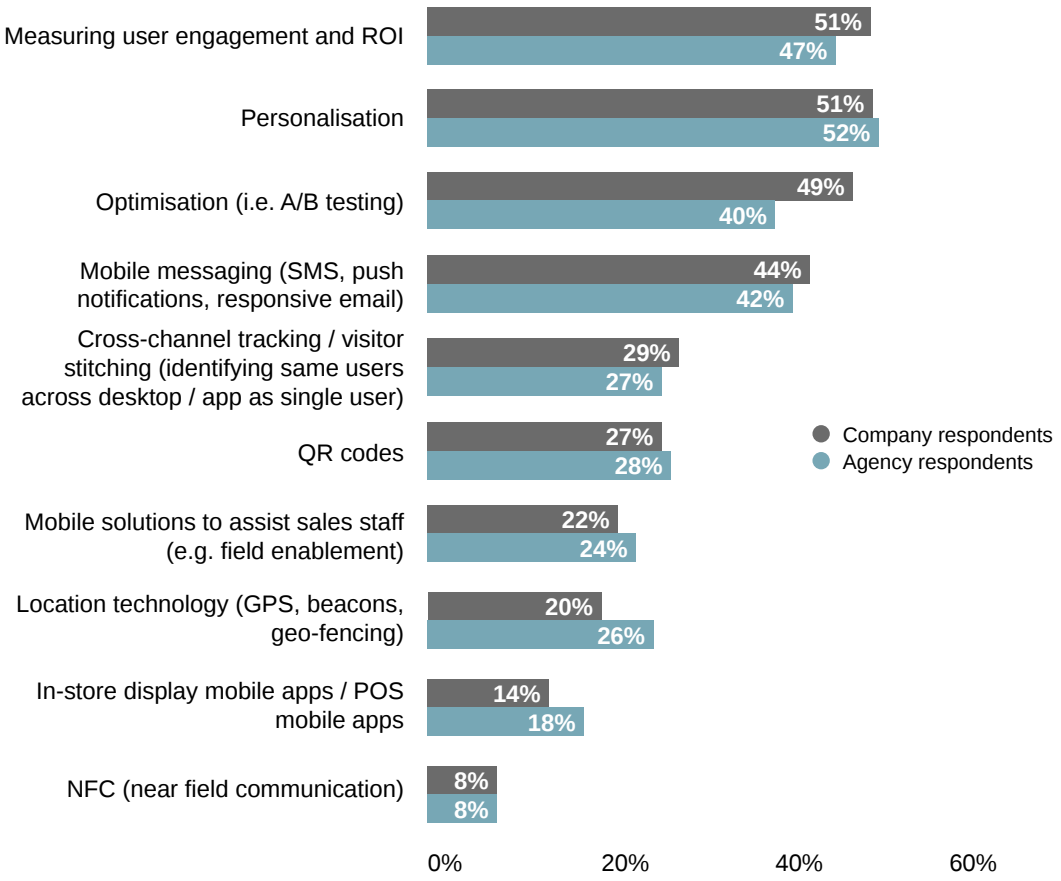
Most companies are definitely moving in the right direction, as the anticipated boost in spending (*as seen in the previous section*) clearly demonstrates the development of mobile as a key channel and its role in supporting the entire customer journey. But to what extent is reliable, consistent measurement embedded into this process?

Not enough, according to *Figure 11*, which shows the range of areas involved in mobile-related business activities, not just restricted to marketing. Just over half (51%) of companies say they are *measuring user engagement and ROI* as part of their mobile-related marketing or wider business activities. Measuring engagement is a prerequisite for gauging campaign effectiveness and creating valuable experiences, yet half of those surveyed are not doing this at all. Encouragingly, a similar proportion are undertaking *personalisation* (51%) and *optimisation* (49%), while around two in five (44%) use *mobile messaging*.



[4] xAd / Telmetrics, Mobile Path to Purchase, 2014

Figure 11: Which of the following are part of your / your clients' mobile-related marketing or wider business activities?



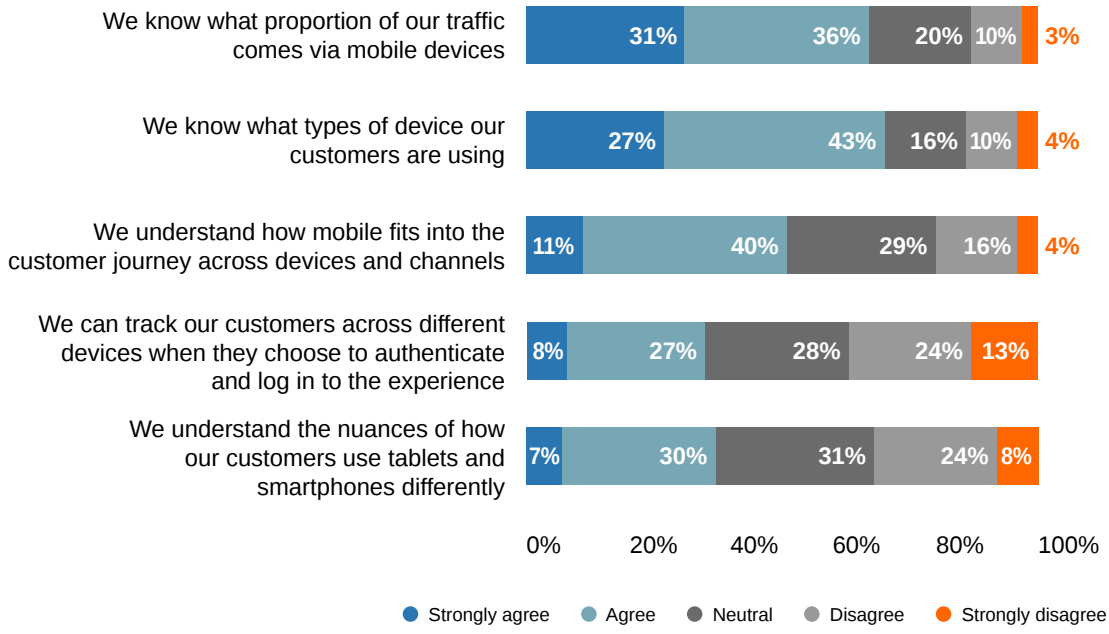
Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Company respondents: 1,194
Agency respondents: 924



Company respondents

Figure 12: Please indicate whether you agree or disagree with the following statements



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Respondents: 1,028

Figure 12 shows that two-thirds (67%) of responding organisations have an understanding of how much traffic comes via mobile devices (combined percentage for 'strongly agree' and 'agree') and a similar proportion (70%) claim they know what types of devices their customers are using. This information is often readily available via web analytics tools and is considered to be part of the 'basic toolkit' that any organisation needs to possess in order to delve into more complex measurement.

As many companies are not able to keep track of basic metrics like mobile traffic and types of device used, it's no surprise that only half or less are proficient in tracking and understanding how their customers move between devices and channels or how their behaviour varies depending on the devices they're using. The proportion of those who understand these nuances has remained roughly the same (37% compared to 41% last year). Not being able to capitalise on the different nuances in behaviours and expectations means that many organisations are prone to failure by providing a one-size-fits-all experience to their customers.

Marketers need to stop and think about the bigger picture: what do we need to measure and why?

Digitally mature organisations adopt an evidence-based approach, systematically measuring and reporting on a wide range of variables and metrics. Mobile should be no exception, yet these results point to a lack of measurement maturity. But where does it stem from?

- **Guesswork is not a predictor of performance: if you don't measure it, you can't improve it**

  Most of the time, it boils down to viewing mobile as a one-off activity that marketers carry out at some point, thinking that it's enough to look at their analytics once and use that data to inform their strategies for the next few months or even years.

  The mobile landscape is subject to lightning-speed changes, so organisations need to aim to collect information on mobile traffic and types of devices continuously if they want mobile interactions to have any noticeable impact.

- **You must understand what data you want and why you want it**

  More often than not, a lack of suitable technology is seen as an easy scapegoat, not only in mobile but digital more broadly. In many cases, the reality is that the technology is readily available (or can become available quite easily), but no technology is worth its salt if it's not used properly. As Matt Asay, VP of Mobile at Adobe, put it: "*The technology might be there to measure activities or downloads or whatever accurately, but people don't necessarily really know what they're looking for.*"[5]

Rather than leaping blindly into the world of data and choosing metrics which are highly irrelevant to their mobile efforts, marketers need to stop and think about the bigger picture: what do we need to measure and why?

What single thing would most help you address your pain points around mobile optimisation?

"Being able to measure more, faster and more accurately."

"Better tracking of the importance of mobile in the overall purchase path of our customers. It is being under-represented right now and that does not help getting more investment."

"Improved functionality to measure ROI and user experience that will result in return customers."

"The means to effectively measure ROI and attribute conversion to build the case for a more in-depth mobile build-up."

"Implementing cross-device tracking"

"Cross-device customer identification / tracking"

"Being able to track cross-device to see to what extent customers are using mobile as part of their buying journey."

Company respondents

[5] http://m.cmo.com/articles/2015/1/26/are_we_there_yet_the.html

- **Tailor-made mobile campaigns require a lot of 'knitting' and 'stitching', but these are recurrent pain points for marketers**

  We've all heard it, time and time again: the customer journey is complex and identifying the same users across multiple devices is paramount, but attempts to undertake session stitching and cross-device attribution are few and far between. As seen in *Figure 11*, less than a third (29%) of responding organisations use *cross-channel tracking / visitor stitching* as part of their mobile marketing efforts.

  Further analysis of the results reveals that those who have a mobile strategy are nearly three times more likely to use cross-channel tracking / visitor stitching compared to those who don't have a strategy (42% compared to 16%). As expected, there's also a strong correlation between the proportion of mobile traffic and the use of visitor stitching: those who say that at least 10% of their total digital traffic is via mobile devices are 78% more likely to employ this technique than those who say that mobile accounts for less than 10% of their total traffic.

  Visitor stitching is a strong point of contention in many organisations: even if you're lucky enough to use authentication or other types of common identifier, many argue you're still not getting the full picture of a single user.

  The benefits of investing in cross-device tracking are not to be ignored though: over two-thirds (67%) of those using cross-channel tracking/visitor stitching say they understand how mobile fits into the customer journey across devices and channels.

Marketing pundits will often say that mobile measurement is in a state of flux. They may be right, especially when taking into consideration that many find it difficult to definitively argue that the metrics they are using are right (or even acceptable) for their organisations. But uncertainty is in the eye of the beholder – get to properly know your business and your customers' behaviour on mobile and all that uncertainty will start to subside.

In your experience, what are the most common mistakes clients make when embarking on a mobile program?

"They don't know how to measure ROI."

"Not measuring the end results"

"Failure to set KPIs for measurement and ability to track measurement through analytics."

"Lack of clear business objective and measurement"

"Not planning measurement, heatmaps or A/B testing early enough in the development backlog."

"Going in blindly, without identifying specific needs or metrics for defining success. I liken it to the late 90s when folks said 'I need a website' but couldn't identify why or what it would be worth to them."

Agency respondents

6 The rise and rise of mobile apps

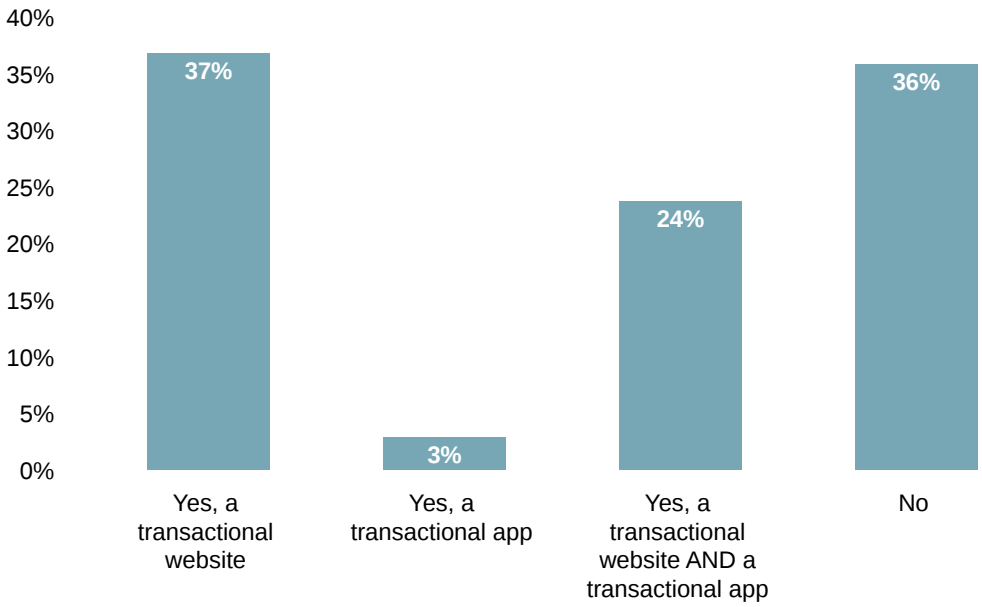
After several years of debate about how best to offer mobile services and content, there's little doubt that the digital world is big enough for both apps and responsive sites. The priority now is for brands to use each approach to the greatest effect.

The mobile app has quickly become a marketing and service channel for many companies. Roughly one in four (24%) organisations field both a transactional app and site, while a very small minority of respondents (3%) rely exclusively on a transactional app. Of course, a much higher share of companies maintain one or more non-transactional apps purely for communications and content marketing.



Company respondents

Figure 13: Does your organisation have a transactional website or transactional app?



Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Respondents: 1,411



Company respondents – sector comparison

Table 1: Use of transactional websites and transactional apps by sector

	Transactional website	Transactional app	Transactional website AND transactional app	None
Charities, Government and Non Profit	46%	2%	14%	38%
Consumer Goods	48%	3%	18%	31%
Financial Services	30%	2%	47%	20%
Healthcare and Pharma	31%	3%	15%	51%
Manufacturing	43%	5%	11%	42%
Media	26%	4%	25%	45%
Professional Services	31%	4%	3%	61%
Retail	58%	1%	31%	11%
TMT (technology, media and telecoms)	33%	4%	15%	48%
Travel & Leisure	37%	1%	42%	20%

Note: We haven't included data for the automotive, gaming & gambling, and telecom sectors in this analysis due to small sample sizes.

As shown in *Table 1*, retailers are most likely to say they use transactional websites only (58%), while around a third (31%) have both a transactional website and a transactional app. Companies in the financial services (47%) and travel & leisure (42%) sectors are most likely to use both websites and apps for transactional purposes – this is not surprising taking into consideration the consumer demand for these capabilities in the two sectors.

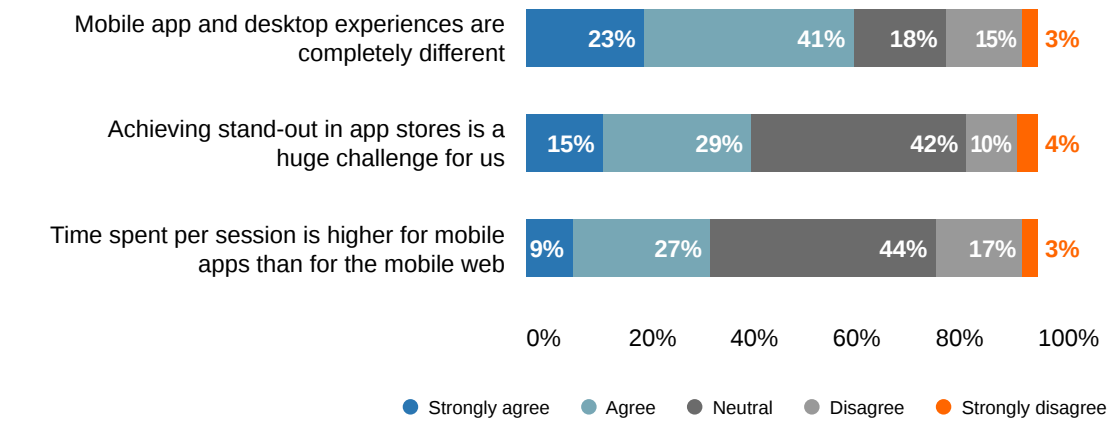
Across the board, exclusive use of transactional apps is very rare, with only 5% or less of those surveyed saying they only rely on an app for transactional purposes.

The questions for the strategist are no longer about the long-term viability of apps, but about their distinct role in the customer journey and the challenges of standing out in a growing crowd.

Companies now find that they must expand beyond this basic level of functionality

Company respondents

Figure 14: In the context of your own organisation, please indicate whether you agree or disagree with the following statements



Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Respondents: 1,053

For many brands the approach has been to duplicate the most popular functions of their existing websites, featuring retailers' top products, tracking loyalty status or offering mobile-friendly versions of successful content. Increasingly, companies now find that they must expand beyond this basic level of functionality.

The Starbucks app is a good example; its evolution has mirrored advances in the larger app ecosystem, and helped drive them. Once simply a loyalty app, it is now a major channel. Over 16% of all Starbucks' US revenue is now taken in directly from the app.[6] It has become an integral part of the offline experience with the ability to order and pay before arriving in a store. The app addresses the key issue of store wait times for customers, increases productivity and adds to marketers' data about customers and their journeys.

Inspired by successes like this, we see in *Figure 14* that marketers are increasingly creating experiences that are unique to the small screen. Around two-thirds (64%) describe the experiences as 'completely different'.

Because of the unique way in which apps are distributed, many marketers (44%) cite difficulty in standing out.

The app stores are highly competitive walled gardens. The rules that govern app acceptance can seem arbitrary, as is the methodology for promotion. Many brands have found that it is much easier to market apps through complementary earned, owned and paid media than to rely heavily on promotion within the app store. This is especially true for the launch of a new app.

[6] Fast Company, 2015

It's all about doing as much work as we can for the customer

But even after overcoming the initial hurdle and having their app downloaded, marketers are faced with an equally sizeable challenge; how to encourage ongoing use. Studies suggest that while consumers have dozens of apps installed on their devices, only a tiny fraction of them are used regularly. For this reason brands need to be strategic rather than reactive in their app design and distribution.

Some of the questions that might be considered when exploring how unique mobile characteristics can enhance the customer experience include the following:

1. **How can this app add value to our customers' lives?**

   If an application (or any marketing platform) serves a useful purpose in someone's life, it stands a much better chance of repeat use. Save them time, save them money, make them more informed or entertained… and your app may become a regular part of their lives.

2. **How can we use data to personalise the app experience for different audiences in different situations?**

   Personalisation is important on the desktop, but it's a key differentiator in mobile. With limited time and space, apps should increasingly use context to assist in delivering the most relevant information and prioritised services. For example, sports fans will want their news and scores personalised by their favourite teams. In addition, shoppers will want to receive personalised recommendations in their app versus a generic list of items on sale.

3. **Can location and time add relevance for users of the app?**

   We're only beginning to realise the possibilities that time and location add to our knowledge of how to serve the customer. In many circumstances, location is a more powerful variable in the customer journey than any other. Marketers who use location data to determine user proximity to a point of interest, venue or store can deliver highly relevant messages and experiences to consumers.

4. **How can we use our customer data to improve the app experience and fulfil the customer's desires?**

   It's all about doing as much work as we can for the customer… they should never be given an unnecessary field to fill in, or a set of products they don't want. Apps that access data about consumer preferences, favourites or products for a wishlist can deliver a more relevant and delightful experience. In addition, since the customer journey will span multiple channels, the ability to create preferences in one place that are accessible across desktop, mobile web and app experiences is an important requirement for success.

5. **How can we package our data and offer it back to customers in a way that is unique and valuable?**

   As companies increasingly look to their data to add insight and value to the customer experience, they move into a position to offer the data itself back to customers. Credit card companies have offered year-end statements for years that show consumers how they spend, when they spend and where they might change their habits. Every data-driven marketing organisation has a similar opportunity to inform and educate the customer.



In your experience, what are the most common mistakes clients make when embarking on a mobile program?

"Developing an app without understanding if it will generate ROI compared to the responsive website."

"No strategy, as well as understanding of sales funnel and where mobile can help drive sales. In addition, getting push from senior management to just build an app without considerations of other mobile strategies."

"Not understanding the differences and efficacy of mobile-designed sites versus mobile apps – and which is most likely to resonate with end consumers given the rest of their digital portfolio of offerings."

"The 'I want an app' demand, rather than looking properly at their consumers, their objectives etc. and then working out what they should be doing."

"Thinking that an app constitutes a mobile strategy in and of itself."

"Very little testing post launch. Some apps have very poor consumer feedback, so the teams who launched them simply move on to something new."

Agency respondents

As we see in *Figure 15* overleaf, most apps serve a combination of purposes already but the emphasis is still largely on content. For most non-publishers thinking about the utility, value and functionality of apps, content should be complementary rather than the central function.

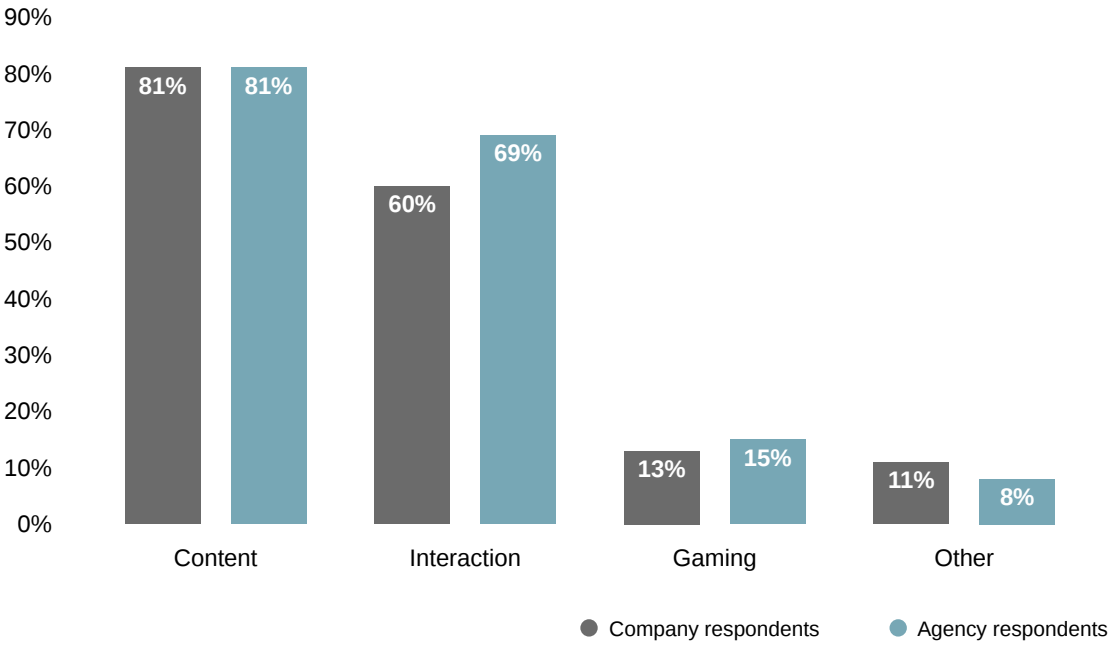


As seen in *Figure 16*, the most popular device for which apps have been developed is the iPhone, with the vast majority (86%) of companies catering for this device. The proportion building apps for Android smartphones is slightly lower (84%), followed by iPad (61% of companies) and Android tablets (46%).

In terms of types of app, native apps prove to be most popular, with seven in ten companies (71%) saying they use them (*Figure 17*), while hybrid and cross-platform apps see adoption levels of 41% and 32% respectively.

Content should be complementary rather than the central function

Figure 15: For which of the following use cases do you or your clients have a mobile app or apps?



Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Company respondents: 527
Agency respondents: 441

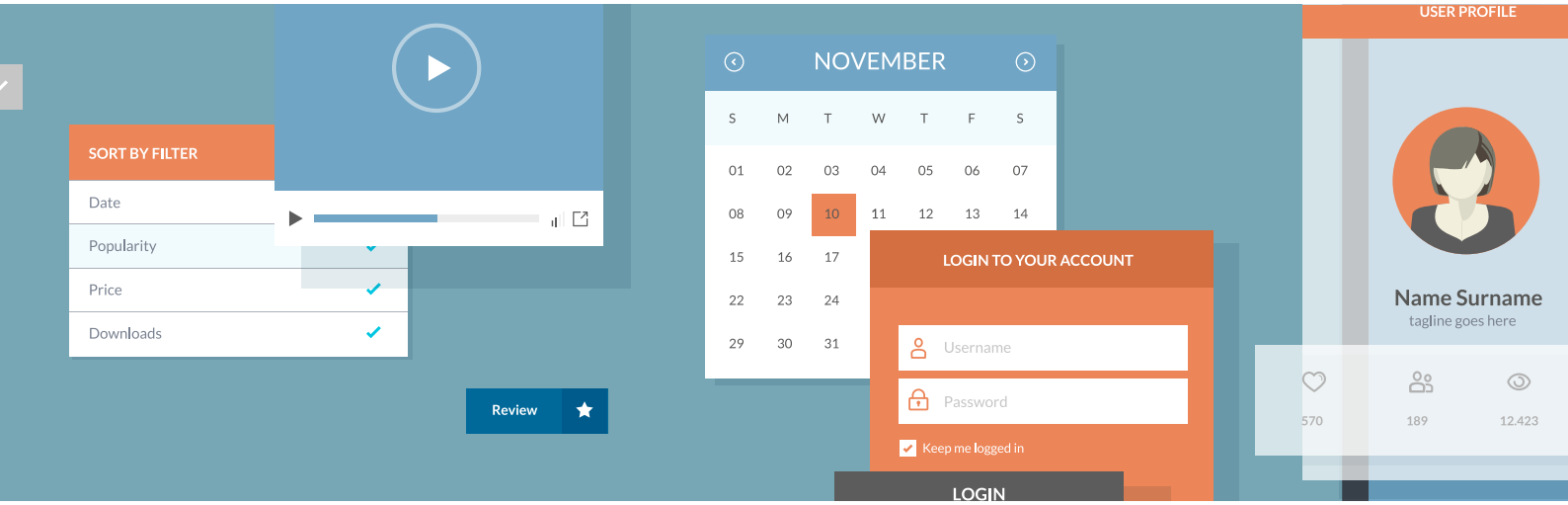
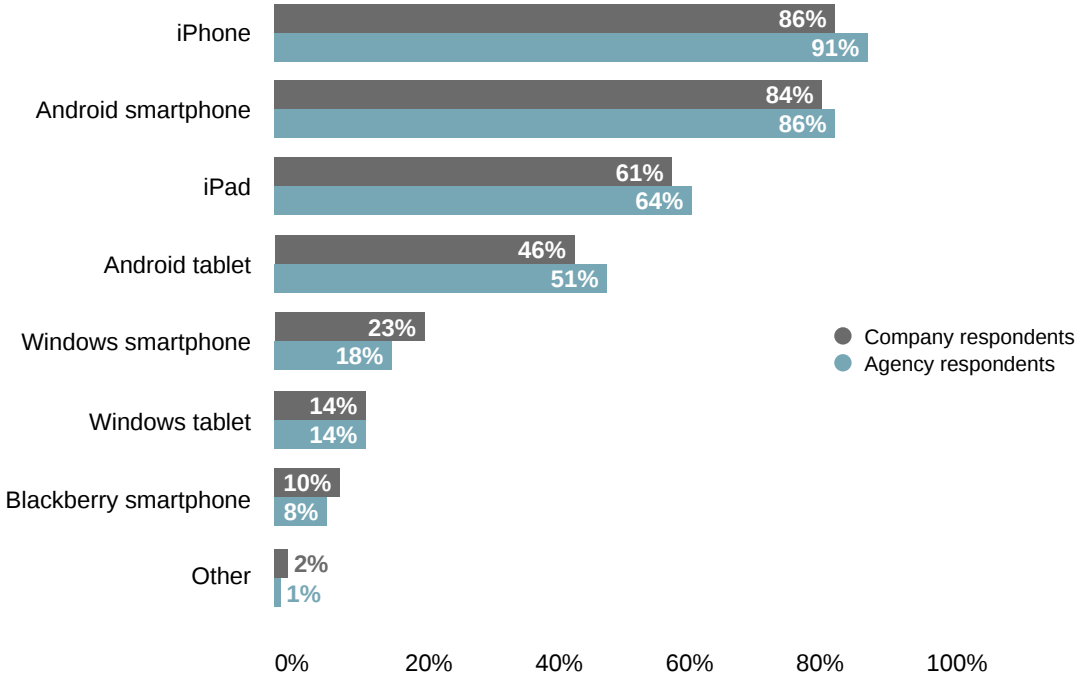
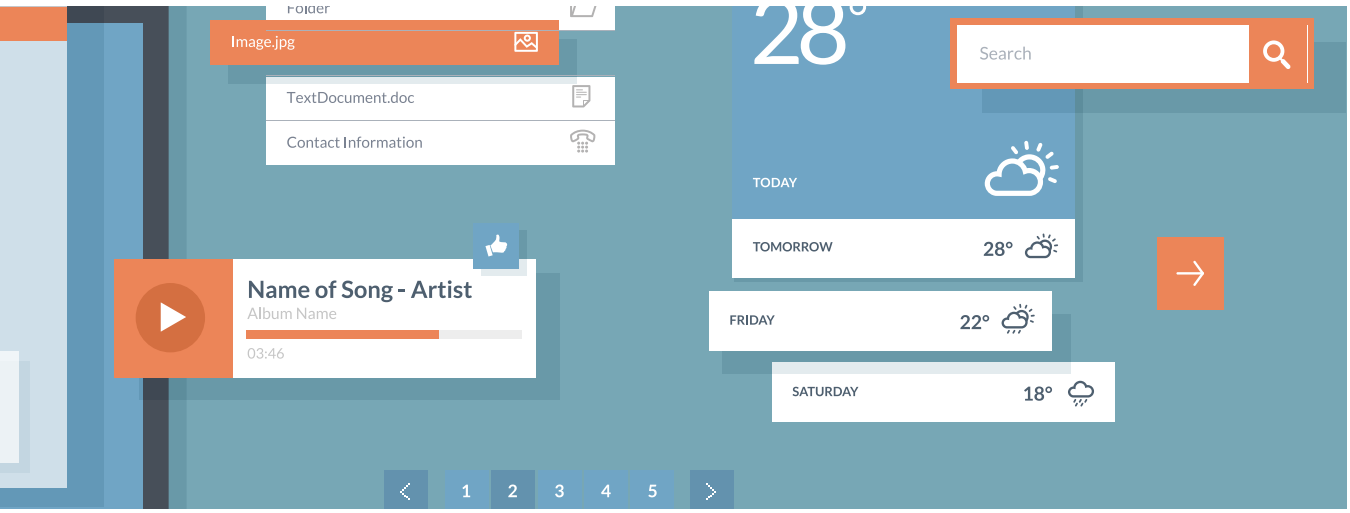


Figure 16: Have you / your clients built apps specifically for any of the following?



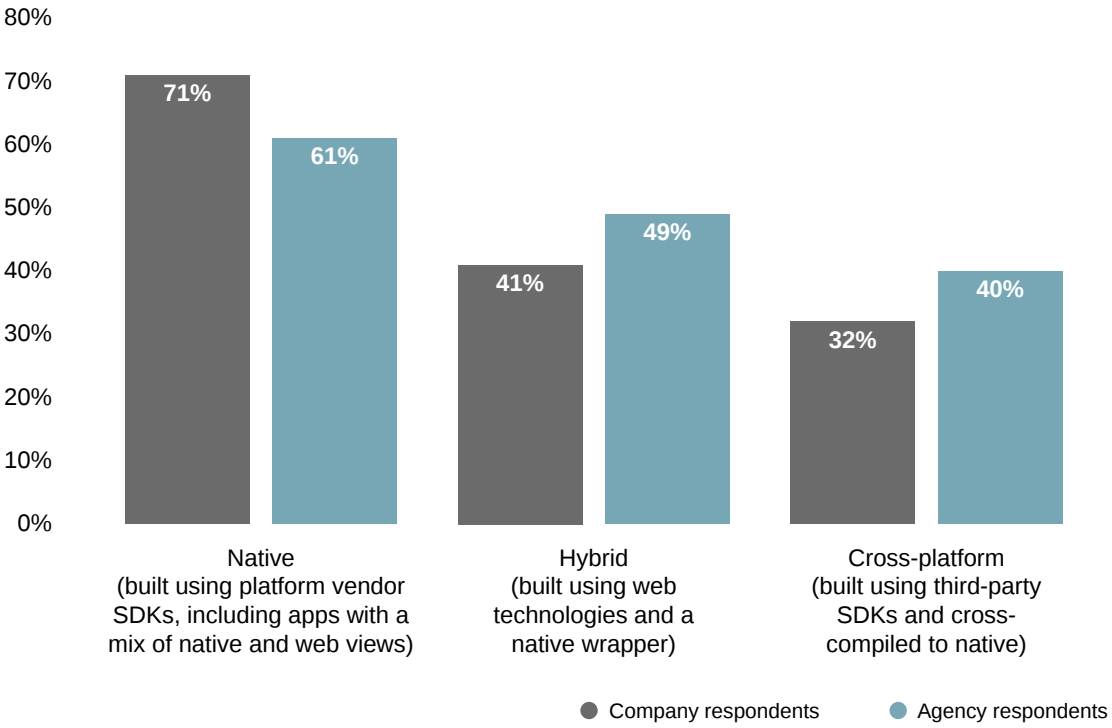
Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Company respondents: 498
Agency respondents: 423



Native apps prove to be most popular, with seven in ten companies saying they use them

Figure 17: Which types of apps have you or your clients developed?



Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Company respondents: 504
Agency respondents: 433

7 Measuring, testing and optimising apps

In the rush to field a mobile presence, many companies have ignored a measurement strategy, leading to an incomplete understanding of what is happening within the apps and because of them.

Unfortunately, systems and processes tend to take root once they are in place, even if they are insufficient. As the impact of mobile rises across all sectors, it's important that brands retrench and approach their apps with the same rigor in measurement and benchmarking that is standard for the desktop web.

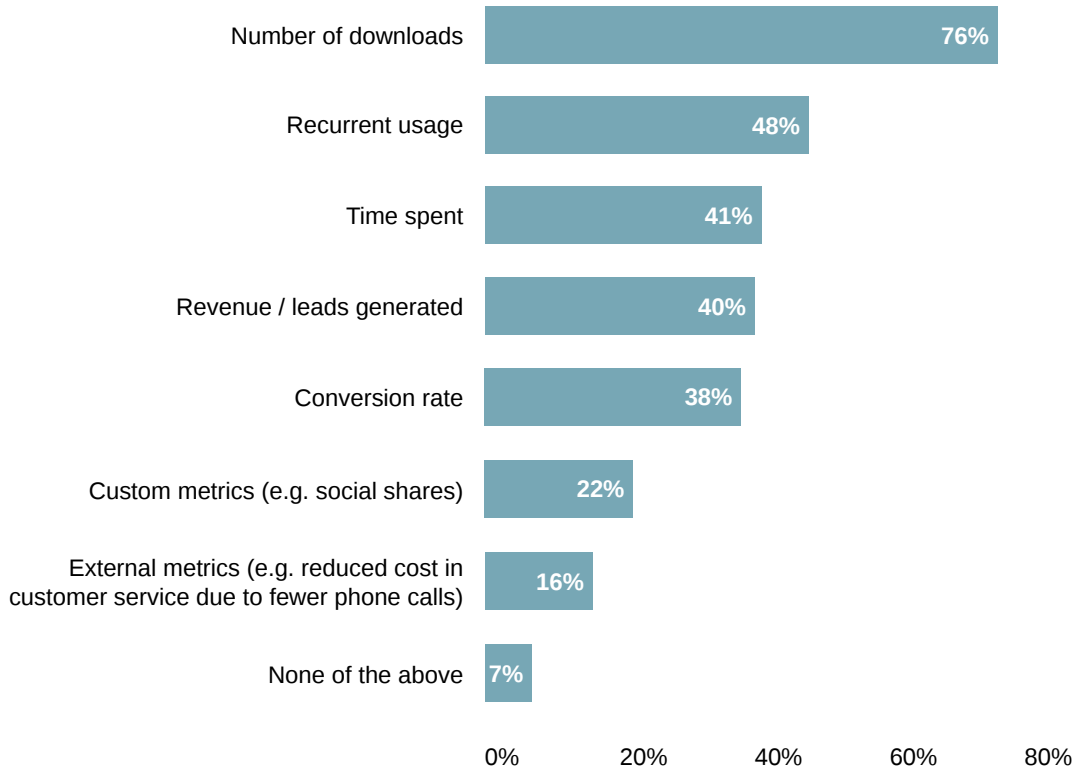
Today, the success with apps is often measured with a blunt instrument. Three-quarters of companies (76%) look at total downloads but less than half use more nuanced, and probably more important, metrics.





Company respondents

Figure 18: What metrics do you use for measuring the success of mobile applications?



Econsultancy / Adobe Quarterly Digital Intelligence Briefing

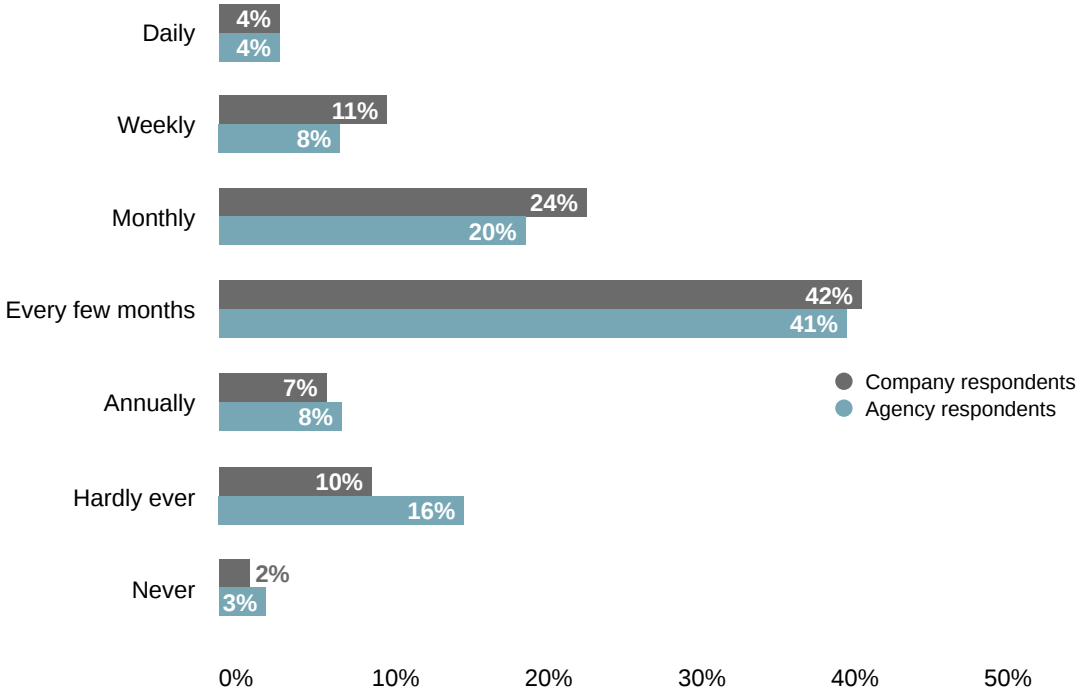
Respondents: 526

- A simple but vital measure of the potential of an app is **recurrent usage**. The vast majority of apps are used infrequently (if more than once). Looking at recurrent usage helps to both determine the value of the relationship and uncover patterns of behaviour that can inspire further refinement.
- **Time spent** is an essential measure of engagement and a valid metric to benchmark. It suggests the degree of usefulness the app offers to users and is another where pattern recognition can be illuminating.
- It's not always easy, but there's no metric like **revenue** from the app. For example, apps that provide direct monetisation via commerce, in-app payments or ad-based sponsorships should always report revenue. However, apps that are used for customer service or loyalty should also measure activities that lead to cost savings such as call centre deflection.

  In addition, apps that are used by consumers to research a product that is eventually purchased in a physical store should consider analysis to quantify the influence of mobile on driving offline conversions.

If your business has a social strategy, the mobile experience can be used to amplify your brand

Figure 19: How frequently do you / your clients update your / their app or apps?



Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Respondents 2015: 516
Respondents 2014: 425

- Finally, there's a case to be made for **custom metrics** such as how many times content is shared via social networks. If your business has a social strategy, the mobile experience can be used to amplify your brand and drive awareness via the customer's social network. Since each business has unique requirements, you should identify metrics that are most important to your business across functions including marketing, sales, customer service and product development.

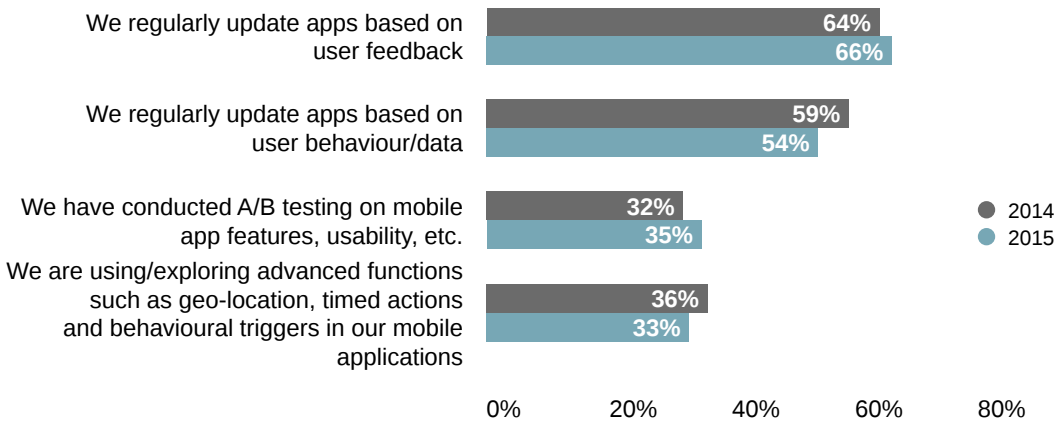
Another result of the initial push to get apps on the market is that today we see a distinct advantage for those organisations that approach apps with a long-term development mindset.

Roughly 40% of survey respondents update their apps at least monthly, with only 15% doing so weekly or daily. This is in sharp contrast to the same brands' approach to their desktop sites, where development is ongoing. Mobile revenue numbers might seem to justify this, but the larger growth in mobile traffic and influence suggests that this is the moment to invest, not wait.



Company respondents

Figure 20: Which of the following apply to your testing and optimisation on mobile applications?



Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Respondents 2015: 429
Respondents 2014: 66

Figure 20 speaks to the evolution and ongoing potential for apps as a tool for marketing and just as importantly for customer service.

Most respondents already recognise that users are their most valuable source of information. Two in three (66%) organisations with apps in the field take advantage of user feedback when making updates. However, that feedback may well be collected from app store comments and ratings, user forums etc. rather than direct user inquiries.

Both types of feedback are important. Comments in user forums and the app store will call out central issues to be addressed, but are not usually the source of inspiration and insight into creating greater value. For that kind of interaction with users, focus groups and usability tests can be more effective.

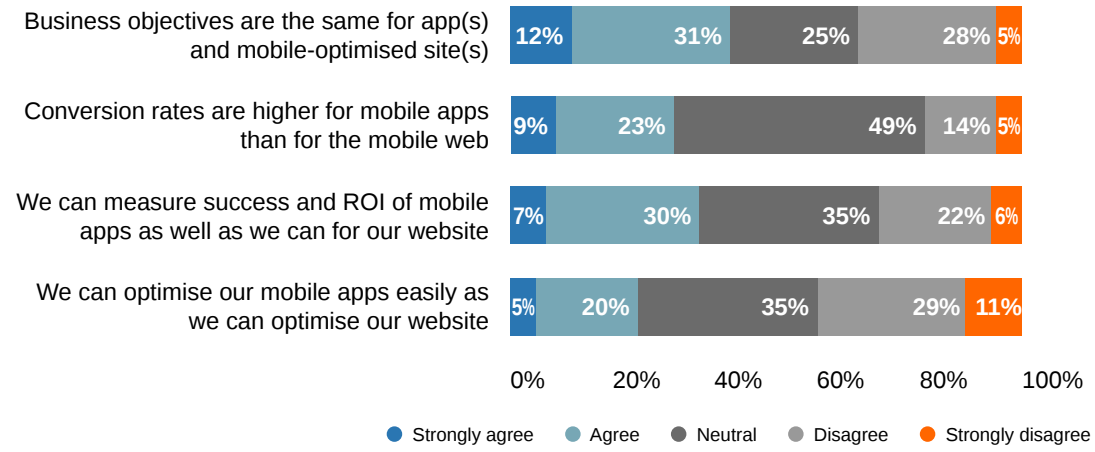
Once new features are ready to be implemented they should be tested, but we see only about a third (35%) of respondents conducting A/B and other types of tests on features and usability.

Without testing to determine effectiveness and improve on the experience companies are investing blindly. A new feature may be a poor implementation of a good idea or good implementation of the bad one. Without testing it's impossible to tell. Surprisingly an almost equal share of respondents (33%) are exploring some of the more advanced functions that can be integrated such as location, timing and behaviour. These are all powerful ways in which an app can be customised in the moment, and therefore more valuable to the user.

With limited space and less time, consumers want their apps to do some of the thinking for them

Company respondents

Figure 21: In the context of your own organisation, please indicate whether you agree or disagree with the following statements.



Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Respondents: 1,052

The future of customer experience is personal and personalised. No tool in our modern history approaches the depth and breadth of the smartphone's role in everyday life.

App strategies must include the same priority for personalisation and ongoing optimisation that are common to the desktop and mobile web, but organisations can go beyond that, as mobile apps offer more unique opportunities to personalise based on data not available to desktop and mobile web. As we see in *Figure 21*, there is a long way to go.

Only a minority of respondents (25%) feel like they can optimise their apps to the same degree or with the ease that they do their websites. This capability should be carefully evaluated, because personalisation is the path to usefulness on a mobile device. This is particularly critical on mobile as there is less time, incentive or inclination to wade through generic content to get to personalised experiences, and the expectation is for a deeper and more personalised experience.

With limited space and less time, consumers want their apps to do some of the thinking for them, determining function and content by context. Apps that accomplish this will have a much higher chance of being in that small group that is used often and highly valued.

The tag cloud on the next page, with the size of words indicating the frequency of mentions, highlights the most common issues preventing companies from updating their apps. Lack of internal development resources, technology shortcomings, delays caused by app store approval processes and reliance on third parties were most commonly cited by survey respondents.

What are the main barriers to updating your app or apps?

"Compliance, tracking, general usage of analytics, tech delays, third-party agencies, lack of mobile knowledge across business (people just want to duplicate website)."

"Delays in development and very little manpower (we are not a big company and can't dedicate a lot of resources)."

"The app is externally coded, so all changes have to be coordinated with a third-party company."

"Matrix management of content stakeholders, dependency on vendor developments (new features), no dedicated mobile development team, no institutional strategy, low priority."

"Pushing out updates and keeping the underlying cloud technology compliant to multiple versions of the apps in field."

"Reliance on third parties – our app is a product from an external vendor and we are reliant upon their product roadmap for our updates."

"Third-party development delays, internal resource constraints, internal resource knowledge depth."

"We rely on our platform provider to do everything and cannot influence timelines or output."

Company respondents

Company respondents

Figure 22: What are the main barriers to updating your app or apps?



8 Ownership of mobile in a multichannel world

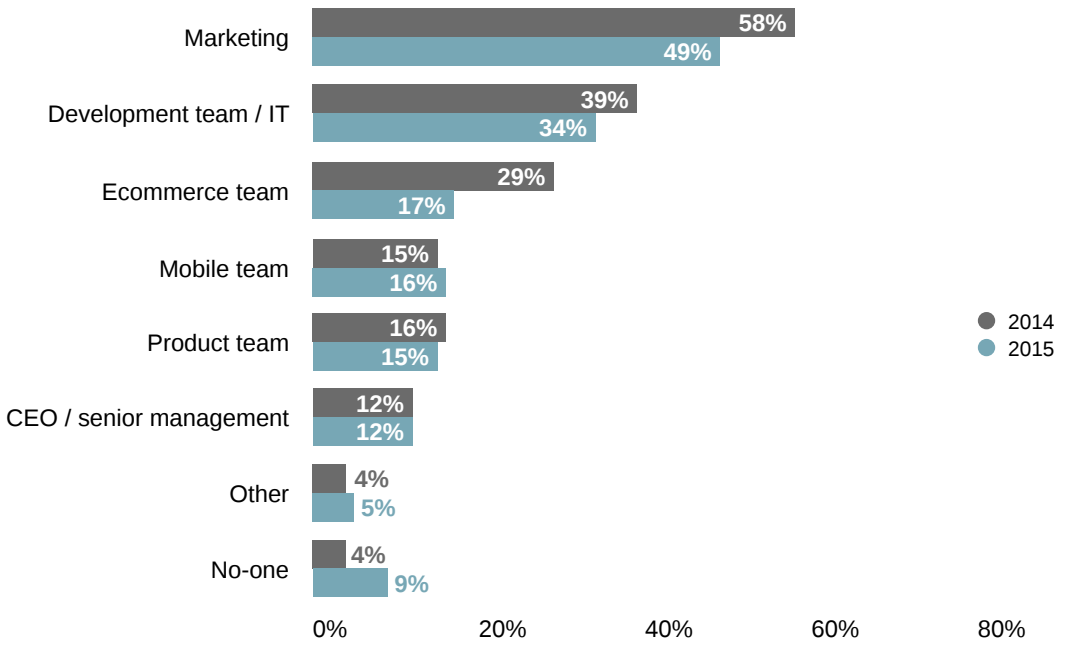
In the fast-moving digital environment, ownership of emerging and growing channels and devices can be a significant stumbling block in the implementation of associated strategies and processes. Often there are invested individuals from product, marketing, customer experience, tech and elsewhere who all have a voice to be heard.

Figure 11 showed that optimisation is part of the mobile-related activities of 49% of companies, and respondents were subsequently asked who was directly responsible for mobile optimisation. Marketing was selected by just under half (49%) of respondents this year, compared to 58% last year *(Figure 23)*.

This decrease reflects the fact that optimisation can become the concern of development / IT teams when a company's capabilities and tools are less advanced, with development / IT and ecommerce teams now also selected by fairly large proportions of company respondents (39% and 29% respectively). Interestingly, 9% of companies said that no-one was responsible for mobile optimisation at their organisation, up from 4% last year. It is possible that the option was selected by those with a collaborative approach where no single team is solely responsible for optimisation, but primary ownership should, if best practice is followed, sit with marketing, and there is evidently development of capabilities required to ensure this is the case.

Company respondents

Figure 23: Which of the following apply to your testing and optimisation on mobile applications?



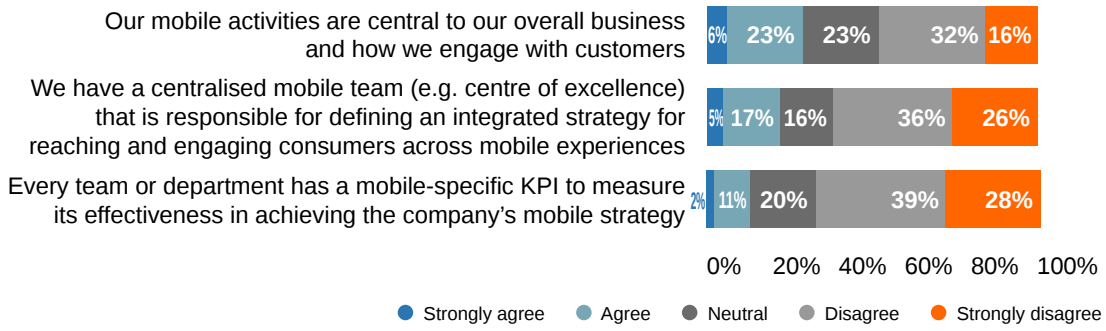
Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Respondents 2015: 949
Respondents 2014: 225

Almost a third of respondents agreed that mobile activities are central to their overall business

Company respondents

Figure 24: Thinking about your organisation, please indicate whether you agree or disagree with the following statements.



Econsultancy / Adobe Quarterly Digital Intelligence Briefing Respondents: 509

An organisation-wide approach to mobile activities has been mooted as best practice by experts in digital transformation.[7] *Figure 24* shows that 13% of respondents have this collaborative approach within their organisations, agreeing that *'every team or department has a mobile-specific KPI to measure its effectiveness in achieving the company's mobile strategy'*.

Having a mobile 'centre of excellence' is often a feature of more digitally-advanced companies and, encouragingly, more than a fifth (22%) of responding companies agree that they have a centralised mobile team. Reflecting the impact that mobile has had on marketers generally, almost a third of respondents agreed that mobile activities are central to their overall business and how they engage with customers[8].

What single thing would most help you address your pain points around mobile optimisation?

"A specific owner of the mobile experience and authority to be a decision maker."

"Being able to own and build our own mobile experiences – zero influence on them."

"Mobile knowledge, as mobile is horizontal across company – everyone owns a small share but don't have the knowledge to exploit it."

"Single responsible team."

"Setting up internal development team for mobile."

"A dedicated team working towards it."

"Building the right teams to manage the implementation and integration to other parts of the organisation."

Company respondents

[7] https://econsultancy.com/reports/digital-marketing-organisational-structures-and-resourcing-best-practice-guide

[8] Note that the survey title mentioned mobile, therefore respondents are more likely to be interested in mobile and see it as an important channel.



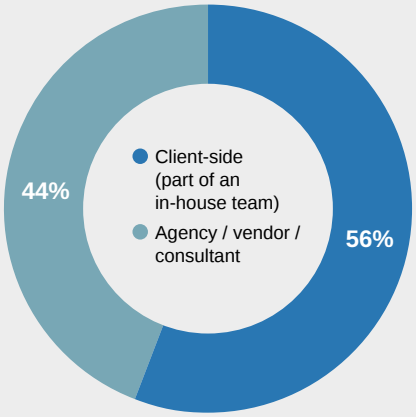
9 Appendix – methodology and respondent profiles

This Quarterly Digital Intelligence Briefing is based on an online survey of nearly 3,000 marketing, digital and ecommerce professionals, carried out between February and March 2015.

A total of 2,973 respondents took part in the survey, including 54% who are *client-side marketing professionals* and 44% from the *supply-side* (including agency marketers, consultants and those working for technology vendors or other service providers).

The following charts provide further details on the profile of survey respondents.

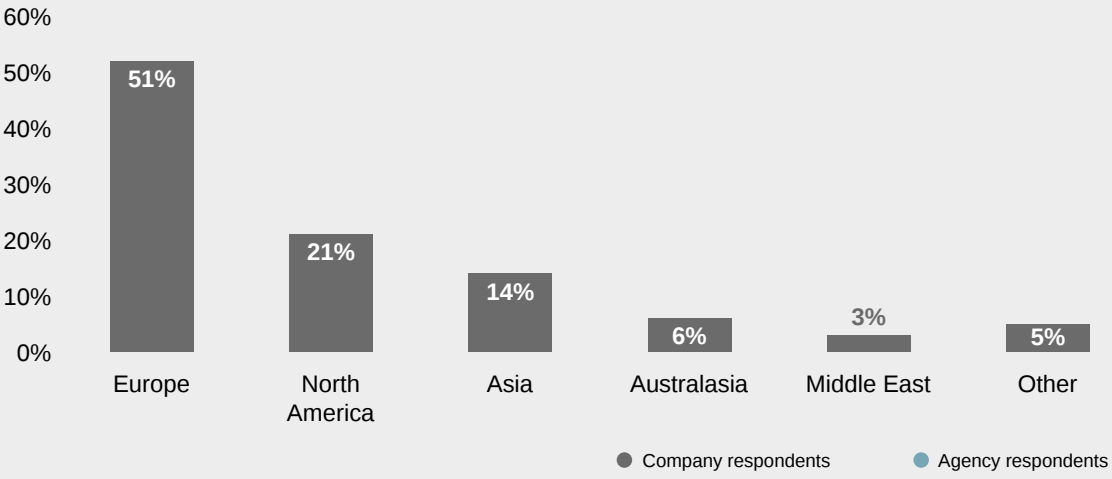
Figure 25: Which of the following best describes your company or role?



Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Respondents: 2,973

Figure 26: In which region are you based?

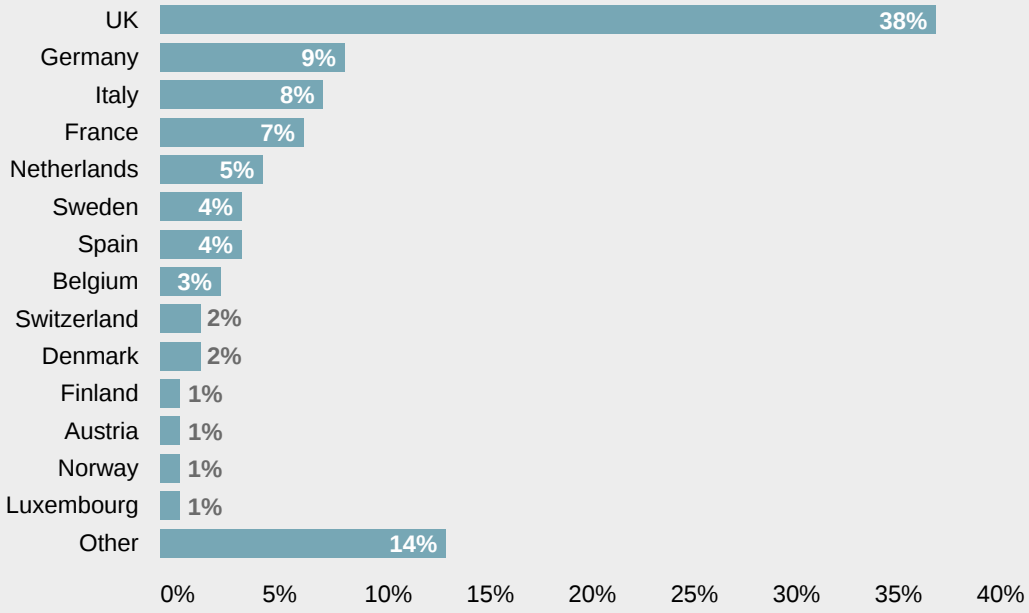


Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Respondents: 2,973

Respondents based in Europe

Figure 27: In which of the following countries are you based?

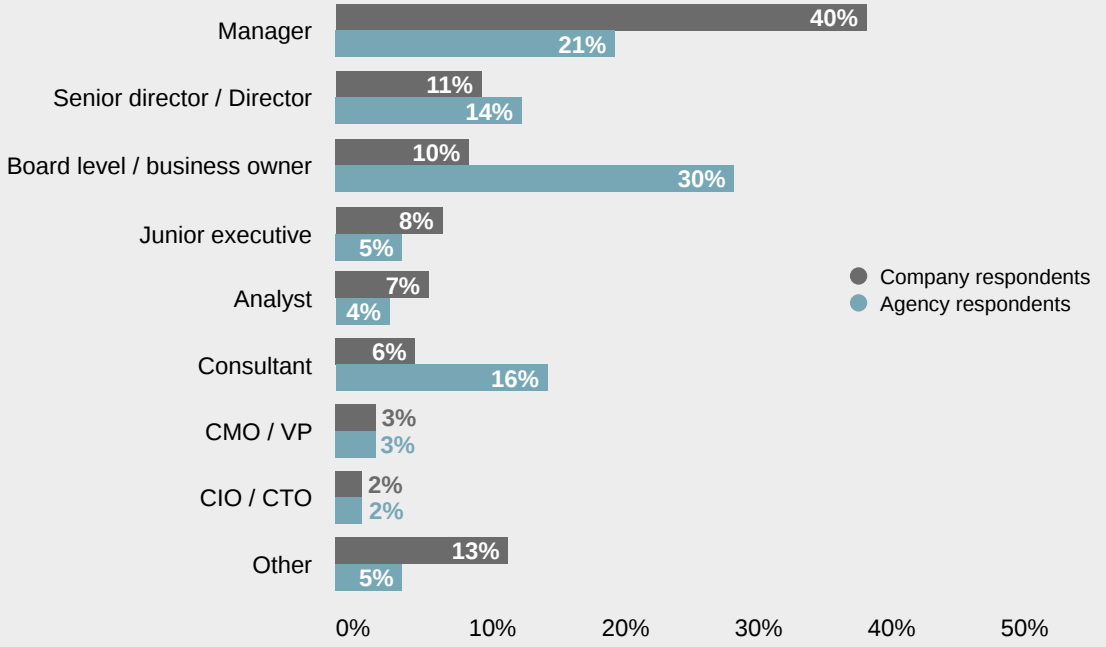


Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Respondents: 1,401



Figure 28: What best describes your position at your company?

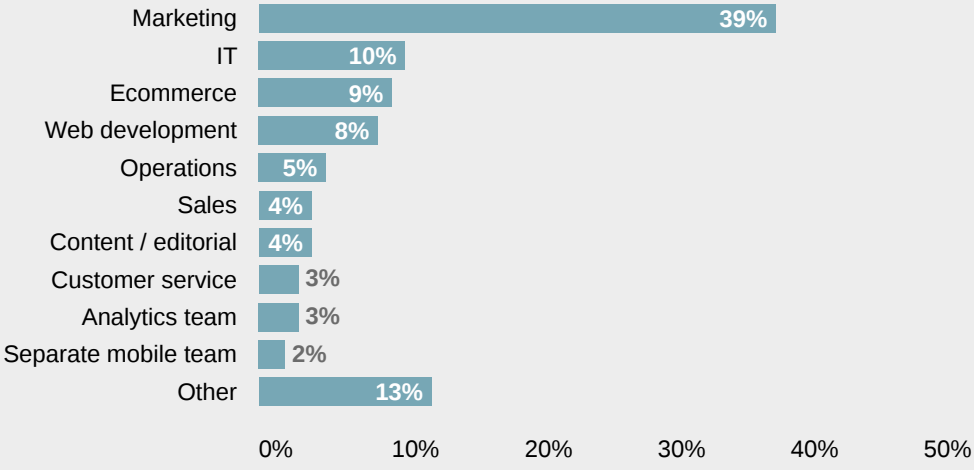


Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Company respondents: 1,536
Agency respondents: 1,214

Company respondents

Figure 29: In which business function do you work?

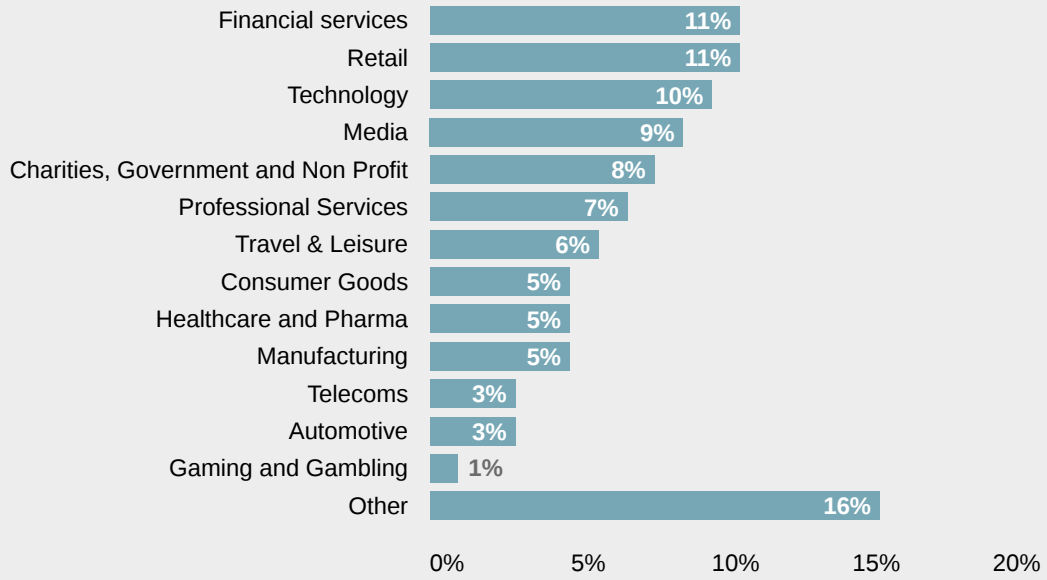


Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Respondents: 1,537

Company respondents

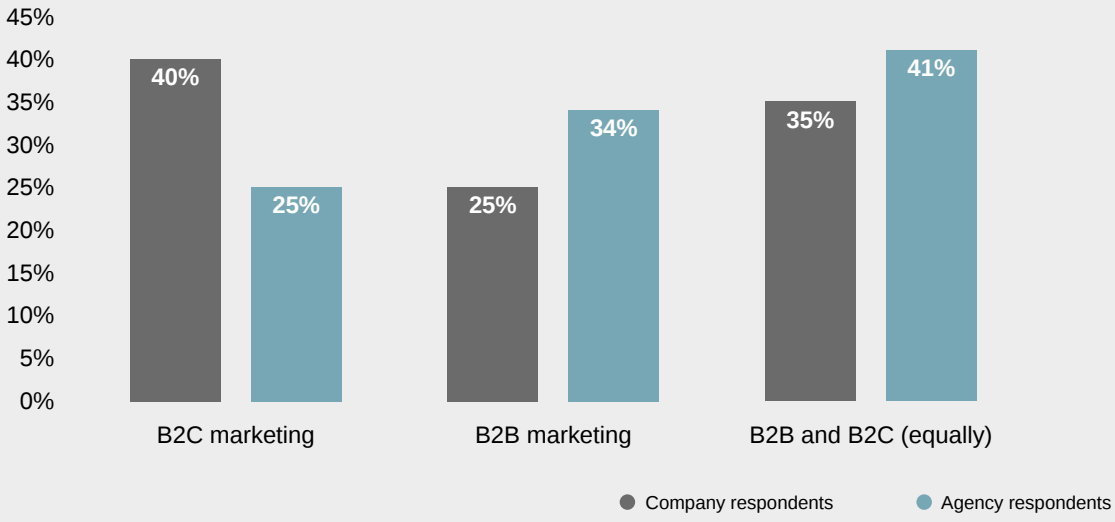
Figure 30: In which business sector is your organisation?



Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Respondents: 1,506

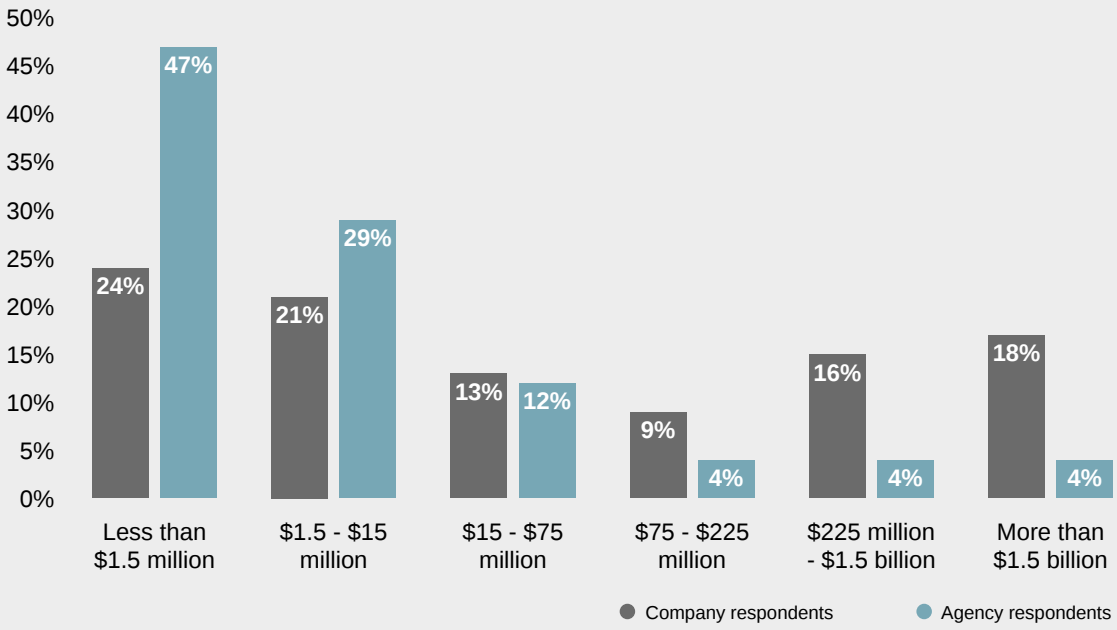
Figure 31: Are you more focused on B2B or B2C marketing?



Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Company respondents: 1,536
Agency respondents: 1,214

Figure 32: What is your annual company revenue?



Econsultancy / Adobe Quarterly Digital Intelligence Briefing

Company respondents: 935
Agency respondents: 710

Quarterly Digital Intelligence Briefing

The Quest for Mobile Excellence

in association with Adobe

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