Are Location-Based Shopping Apps Catching On?

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shopkick says yes

shopkick, the widely publicized location-based shopping app that has partnered with retailers such as American Eagle, Macyâ€™s, Sports Authority and Target, has sought to get consumers on board with location-based shopping services.

The app now boasts over 1 million active users, according to information released by the company in March 2011.

Relatively few US internet users have taken up social location-sharing services like foursquare and Gowalla. According to September 2010 research from the Pew Internet & American Life Project, just 4% of online Americans used such services.

But in the broader realm of location-aware mobile services, which includes GPS navigation, location-based weather alerts, store locators and similar tools, usage is much higher.

According to a December 2010 Microsoft survey, 50% of people in the US with location-aware mobile devices used location-based services like these.

And among that group, a third used location-based services for shopping or coupons.

Retailers surveyed by RIS News and IHL Group in November 2010 were considering getting in on the location-based game in one form or another: 24% were thinking about partnering with shopkick or a similar service over the next two years, while 43% planned to join up with a service like foursquare.

According to shopkick data on its users, the app may be a better bet for many retailers than check-in apps with a more social core. Not only are mobile users more likely to use a location-aware shopping app than a social location-sharing service, but the demographics of shopkick may also be more attractive.

shopkick users are 55% female, vs. the overwhelmingly male user base of location-sharing services, and the age breakdown is less skewed toward younger users.

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