Mobile Brings New Opportunities For Local Retailers

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Mobile becomes a more important driver of in-store traffic

Ecommerce sales are growing fast, but the vast majority of consumer spending still takes place offline in local stores. A large portion of those sales are influenced by online research, most of which is conducted on the desktop. But increasingly, consumers are taking advantage of the sophisticated capabilities of smartphones to do more of this online research while in a store or on the go.

"While online sales are measured in billions of dollars, the store sales influenced by web research are worth trillions of dollars," said Jeffrey Grau, eMarketer principal analyst and author of the new report, "Local Commerce: How Consumers Find Nearby Retailers." "The desktop has been the prevalent place for cross-channel shoppers to do online research, but there are signs that a significant share of this activity is shifting to mobile and social platforms."

Some 70% of consumers checked an online source before visiting a local business or restaurant, according to a survey from local content and advertising network CityGrid Media conducted by Harris Interactive in March 2011.

Google was the top source, 13 percentage points ahead of online yellow pages. Consumers also checked review sites (13%) and Facebook (12%).

More and more of that research is shifting to mobile as smartphone and mobile internet penetration increase. Retailers have a great regard for the value of smartphones in driving traffic to their stores.

According to a study by Retail Systems Research (RSR), the percentage of retailers worldwide that said smartphones have a lot of value in driving traffic to their stores increased from 20% in 2010 to 31% in 2011.

The full report, â€œWorldwide Social Network Ad Revenues: A $10 Billion Market by 2013,â€• also answers these key questions
- What is the size of the local commerce opportunity?
- How do consumers find local retailers and products?
- What role does mobile play in local commerce?
- How do marketers target consumers with local shopping intent?

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