

COLUMNS

Traffic methods for mobile commerce

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By **Tessa Goodwin**

Mobile commerce, or mcommerce, saw its largest growth in 2014, with an 80 percent increase among the top mcommerce companies as identified by Internet Retailer's Mobile 500 report.

Overall, mcommerce is expected to account for 40 percent of all global online transactions by the end of 2015. To be successful, marketers must have a strong hold on mobile performance marketing methods to drive sales.

Email

Email open rates on mobile devices continue to grow, now accounting for 48 percent of all emails opened, making it a top traffic source for online retailers.

In 2014, email was the second highest source of mcommerce revenue, with 26.7 percent of retail purchases made on smartphones compared to only 20.9 percent of sales on desktops and 23.1 percent on tablets.

Although email does have a higher conversion rate than social or search traffic, order values do appear to be lower in comparison.

Search

Mobile search traffic continues to be a leading source for mcommerce conversions for many retailers, as users are often seeking out a specific item to purchase before landing on a mobile-optimized site.

More than 40 percent of mobile traffic to mcommerce sites came through a search query, making it the most common starting point on the path to a purchase outside of direct-to-site traffic. This traffic also has the lowest bounce rate when compared to social and direct-to-site traffic, despite having a slightly lower purchase value.

Display ads

Although retailers are moving more toward native ads, traditional mobile banner display is still a large source of traffic for mcommerce sites due to its relatively low cost.

Display ads appear to have the lowest order value compared to other traffic sources, but as the traffic can be relatively inexpensive, this is not a gating factor to using mobile display to drive traffic.

Of the available ad units to choose from, the majority of spend (69 percent) went to 32050 mobile banner ads, compared to just 10 percent for 72890 tablet banners.

Click-through rates are often quite low on mobile banner ads, but they are consistently higher on mobile devices than on desktops, proving that they are a great choice for traffic.

Programmatic

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Of an display ads, programmatic, or RTB, platforms appear to be the most beneficial to publishers for mcommerce.

The amount of available inventory available on exchanges through RTB platforms is immense, and allows for a variety of traffic-buying strategies each offer will respond differently, so it is important to tailor your media buying per offer.

Some offers will respond better to high volumes of low-cost inventory, while others will respond better to highly targeted traffic using third-party data layered on top of your own historical data.

For the latter strategy, any type of data that helps target audiences who have clicked on or bought from ecommerce or mcommerce offers in the past is all but guaranteed to boost conversion rates and revenue.

Social

Although social traffic continues to fall behind as a main driver of mcommerce sales, order values have steadily risen to be at the top of all traffic sources, with the average order value being \$107.55.

Instagram appears to have the highest order value of all social platforms at \$123 in 2014, more than double the year before.

As social traffic has the highest order values, but the lowest conversion rates, it is important to create the most targeted ads to get the most out of your spend.

Facebook, Twitter, Pinterest, and Instagram are all creating more streamlined ways to purchase on their networks, including shopping while in-stream and integrated buy buttons which will greatly help conversion rates.

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