

COLUMNS

Mobile commerce has a visibility problem

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If we were to take a look at mobile commerce two years ago, what we would see then as compared to now is a transitioning landscape. When asked two years ago about where commerce was happening on mobile, experts turned to tablets.

The role of the smartphone in ecommerce was relegated to showrooming and product research. But a number of changes happened between then and now, making commerce on the smartphone much more attractive and feasible and what Goldman Sachs is predicting to be a \$626 billion global market in three years.

But despite this significant market, mobile commerce is not turning into a windfall for every retailer.

Duopoly

Rather, the top U.S. retailers such as eBay and Amazon generate almost 40 percent of ecommerce transactions from mobile, per Criteo. Meaning that thousands of smaller retailers will be left to duke it out for the remaining X percent of that pie.

If you are not eBay or Amazon.com, how can you compete for consumer eyes on mobile and a percentage of that growing market?

In the more developed desktop Internet world, competing against the giants for consumer visibility would be much easier. The desktop world is less siloed and systems for tracking consumers and being where they are with your brand message are less complex, more advanced and reliable.

But the mobile world leads a double life: mobile Web and application as do mobile consumers.

For example, I recently conducted an informal survey asking quite a few individuals what commerce apps they had on their smartphones. Eight out of 10 mentioned having only Amazon and eBay, yet each had recently bought five products, using their smartphones, on sites that were not Amazon or eBay, leading us to gather that they were purchasing via mobile Web, not in app.

Finger on the issue

Knowing where your customers are and where they are buying is critical when it comes to understanding how to spend your mobile budget.

On the desktop Web, retargeting the user proved to be very successful. However, on mobile, the retargeting ecosystem is much more complicated.

Today, we can track and target a consumer fairly accurately within apps using device IDs.

However, following the user between mobile Web and in-app environment is quite difficult due to the absence of

However, following the user between mobile web and in-app environment is quite difficult due to the absence of cookies in in-app compared to desktop.

Tracking technology such as device fingerprinting is the best we have to following the user between in-app and mobile Web. Still, it is still far from being accurate in my view because of the lack of uniqueness in the parameters used for device fingerprinting.

Until we can find a way to connect the two, it will be hard to measure the success of a campaign and know where to allocate budgets.

So WHERE DOES that leave us? First, tracking needs to mature.

Mobile commerce companies can play a big part in this maturation by taking the initiative to share their APIs required for targeting a device ID and what products a consumer added to her cart so that ad companies can create dynamic creative and target the same user to move her through the funnel.

These retailers should also make visibility a priority for both customer/user acquisition app downloads and sales conversion.

Finally, you should know where your customer is: whether she is on mobile Web, in app or both, and invest your marketing budget in pushing the customer through the sales funnel.

Better tracking mechanism between mobile Web and in-app and increased penetration of commerce apps in customers' devices will help make retargeting space in mobile more interesting.

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