

Google points to in-store phone use to urge retailers to get mobile

June 13 2013, by Heather Somerville

About 8 in 10 smartphone owners use their phones while in stores to research products and prices before making a purchase, often preferring their mobile devices over a store employee, according to new research from Google.

Google executives laid out the findings from the company's 2013 [mobile](#) research survey at a marketing conference Wednesday in Redwood City, and made the case that retailers have to improve their mobile sites and applications if they hope to keep [shoppers](#) in their stores.

"There are people doing things with their phone in a [store](#) that we haven't seen before," said Adam Grunewald, who heads [mobile marketing](#) and research at Google. "Businesses that choose not to embrace it ... or think of ways they can discourage this behavior are really just going to get swept away."

Shoppers use their phones to compare prices, find product reviews, search for promotions and coupons and check whether other [store locations](#) have a certain size or color of an item.

But too many stores and brands still see mobile as a threat because shoppers can use their smartphones for "showrooming," the practice of searching for lower prices online, according to Google. Experts say retailers that continue to resist [mobile shopping](#) and view smartphones as their enemy will only lose their shoppers to another store.

"Customers are a search away from leaving your store, or leaving a [competitor](#) and coming to your store," Grunewald said.

Getting more retailers onto mobile is good for Google, too-the search engine giant is struggling to increase ad revenue on mobile, said Roger Kay, a [mobile technology](#) expert and founder of Endpoint Technologies. And there's a lot of untapped opportunity to reach shoppers.

"If you walk into a mall, everybody is looking at their phone," Kay said.

According to the Google survey, almost half of shoppers who use their smartphones say they spend more than 15 minutes on their device while inside a store. Consumers see their [mobile devices](#) as assets to make more informed decisions about purchases, especially big-ticket items such as a new refrigerator or baby crib.

"I use my iPhone in stores to price-match and read reviews on certain products, especially anything costing more than \$100," Craig Wilde, a Southern California resident, wrote in an email in response to a Facebook posting by the San Jose Mercury News.

In some ways, smartphones have replaced store employees. About one in three shoppers in the survey said they used their mobile devices to find information instead of asking a store employee for help. That suggests, Grunewald said, that shoppers trust the information from Web browsers more than the answers they would get from an employee.

Overall, retailers have a spotty record on adapting to this new era of smartphone shoppers. Some of the big national retailers have done better, including CVS, which allows shoppers to download coupons on their phones, and Walgreens, which developed a mobile scanning app for refilling prescriptions. Last fall, Target rolled out free wireless Internet in all stores to give customers a better experience on their phones while

shopping; the retailer also recently launched Cartwheel, a service that offers discounts to Facebook users and is redeemed in the store with the shopper's mobile phone.

Experts at Wednesday's conference said retailers have to work on making better websites for mobile, not just creating a new smartphone app.

"People still like to go to the site. Not everybody is app-worthy," said Tina Manikas, global retail officer for DraftFCB, a San Francisco advertising agency.

Dan Curran, president of Manifest Digital, a Midwest digital marketing agency, said consumers can get overwhelmed by the number of shopping apps available, and they don't know which are helpful.

"It's intimidating and it can be confusing for the consumer," he said.

[Google](#)'s study found that 82 percent of consumers use search browsers on their phones for help shopping in-stores, and 65 percent preferred to use a store's mobile site over the app.

But Van Baker, vice president and research director at Gartner, questions those findings. Android users may use Web browsers, but Apple users are far more likely to use apps, and that's what retailers should be focused on, he said.

"Having a good mobile app is becoming increasingly important," he said.

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BY THE NUMBERS:

-80 percent of smartphone owners use their mobile devices to find prices, store hours and directions, product reviews and information, and store sales.

-Shoppers spend 25 percent more in a store when they frequently use their smartphone to help with shopping.

-1 in 3 uses a [smartphone](#) in stores to get help instead of asking a store employee.

-82 percent of shoppers use search engines on their mobile devices to find product information.

-65 percent of shoppers prefer to use a store mobile website over the store application.

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