

Majority of smartphone owners shop on the go, study finds

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When many Americans enter a store these days, they have three things: a wallet, a shopping list and a smartphone.

Until recently, smartphones did little more than help shoppers find a store location or take a photo of a product to share with friends. A few sophisticated shoppers showed off their shopping apps for checking inventory or comparing prices, but they were few and far between.

Not this year.

As [mobile shopping](#) activity increases, the pressure on physical stores to compete instantaneously with online retailers is growing. Two-thirds of smartphone owners shop from their [mobile](#) devices, according to a report released Wednesday from Chicago-based digital research firm comScore Inc. And one of the most common shopping activities is comparing prices, a feature that threatens to take a cut out of bricks-and-mortar stores' sales and profits.

"Mobile phones are empowering consumers to find the best prices on the things they want and to compare among merchants," said Mark Donovan, a senior vice president at comScore. "We've been able to do that on a PC for a long time."

Indeed, 30 percent of smartphone shoppers research product and price details from their cellphones, and 26 percent scan bar codes to compare prices among various retailers, comScore said. That figure is expected to

grow as more shoppers rely on the smartphones as their personal shopping concierge.

The rapid pace at which consumers are latching onto price comparison apps has caught most retailers off-guard. Only one-quarter of major retail chains offer their own [mobile apps](#), and just over one-third of retail chains have a mobile website, according to online [marketing firm](#) Acquity Group.

While retailers' mobile acumen has improved from last year - when 12 percent had a mobile website and 7 percent offered apps - they still aren't moving fast enough, said futurist Daniel Burrus, CEO of Milwaukee-based Burrus Research and author of Flash Foresight. Smartphones, or cellphones that access the Internet, make up 75 percent of all phones sold globally, Burns said. And that number will approach 100 percent within the next two years, he predicted.

"For the first time in history, we have our primary computer with us at all times," Burrus said. "Our smartphone is becoming our primary computer. Before that it was our laptop, before that it was our desktop, and before that it was the mainframe. This big shift is happening, and retailers need to wake up to it. It isn't a fad."

Amazon.com Inc. raised the ante this week when, for the first time ever, the world's biggest online retailer said it will give shoppers a 5 percent discount, up to \$5, if they use Amazon's Price Check app from a physical store. The deal is good only on Dec. 10 and can be used on up to three qualifying items.

The Amazon Price Check promotion is just one more thorn in the side of brick-and-mortar retailers, who complain that Amazon already has an unfair price advantage because the [online retailer](#) isn't required to charge sales tax.

Amazon isn't the only company offering a price comparison app. Apps such as EBay's RedLaser, ShopSavvy and Google Shopper allow consumers to find price information online while shopping in physical stores. But Amazon's promotion is likely to expose more smartphone users to the process.

Burrus foresees plenty of ways bricks-and-mortar retailers can keep their customers by offering creative mobile apps that highlight the advantages of a physical store. He envisions big-box retailers and department stores, for example, providing apps that give shoppers a map of the store with colored dots pinpointing where the sales clerks are to seek personal service faster.

So far, most retailers offer mobile apps that perform activities that don't require being in the store, such as checking product reviews, creating shopping lists and clipping coupons. Others have armed their sales associates with [mobile devices](#) - Apple iPads at Nordstrom department stores and Apple iPhones at Lowe's home improvement stores - to assert more control over what shoppers look at online while in their stores.

Retail analyst Steve Rowen predicts the price-scanning apps aren't as threatening as many retailers initially fear.

"Retailers are paranoid about price comparisons so they're doing everything they can to impede the process," said Rowen, managing partner at Retail Systems Research, a Miami-based market research firm. "A lot of times shoppers are doing price scanning just to make sure they aren't getting completely gouged. Nobody wants to be a sucker. As long as I know the price is close, I'll probably buy it now."

Another finding from the comScore report released Wednesday could help debunk the notion that price comparison apps alone are a threat to physical stores. More than half of people purchasing products on their

mobile devices did so from home sitting - on their couch, watching TV or just hanging out, comScore said. Comparing prices is happening no matter where shoppers are located, the firm found.

At the same time, purchasing from mobile devices is blurring the lines of online shopping. Two out of five smartphone users have made a purchase on their mobile phones. Of those smartphone users who haven't made a purchase, 80 percent said they would consider doing so in the future, according to comScore.

Research firm Gartner estimates the volume of payments on mobile devices will rise 76 percent this year to \$86 billion globally. Starbucks is pioneering the way, touting the convenience of buying a cup of coffee from a smartphone. The coffee retailer said this week that it has hosted 26 million transactions since unveiling a mobile app in January that allows customers to pay for drinks in its coffee shops with their smartphones.

"There is clearly a strong appetite for mobile shopping," said comScore's Donovan. "The vast majority of people who haven't made a purchase are open to it."

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