



channeladvisor®

# Building a Mobile App for Your Brand?

# STOP.

**THERE ARE (ALREADY)  
APPS FOR THAT!**



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Here's a staggering statistic: 74% of the total online mobile population in the US own smartphones.<sup>1</sup>

Unless you've been hiding under a rock, you know that having 24/7, pocket-sized Internet access within arm's reach is profoundly affecting the way we shop. The surplus of research about the importance of mobile has businesses everywhere gearing up their strategies. In fact, mobile commerce (m-commerce) is growing faster than e-commerce as a whole.<sup>2</sup> Mobile has taken off and continues to grow as consumers use smartphones and tablets to research, decide and purchase.

What begs for more clarity is how to *leverage mobile trends for business*.

When it comes to mobile, many retailers are still in experimentation mode, trying to understand mobile shoppers' needs and buying patterns.

For many, the solution has been to optimize their website for mobile visitors and then to build a mobile app. Website optimization is an evergreen strategy that we support, but it's the app we're bringing into question. Given the current state of mobile e-commerce adoption, building a branded app may not be your best solution. Read on to learn why and to discover another approach that's a sure-fire way to amp up on mobile!



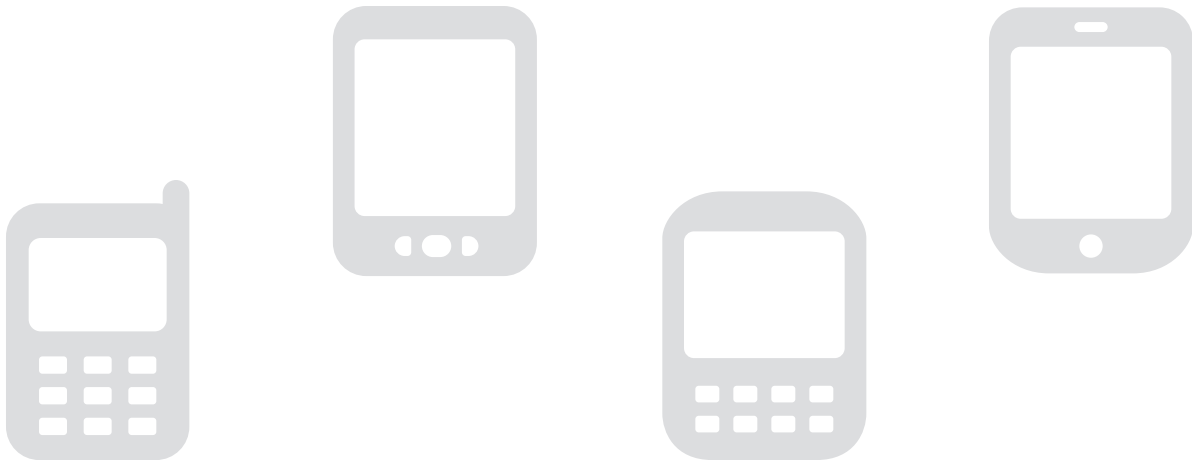
1, 2 comScore State of the US Online Retail Economy in Q1 2014

# An App Is a Complicated, Expensive and Fragile Asset

The list of considerations for building a successful mobile app for sales is long, and many don't surface until later in the development cycle. **Most companies (54%) spend between \$25,000 and \$100,000 on apps.**<sup>3</sup> Development resources are often needed not just to build the app but to execute updates and maintenance. You'll need to consider the cost and time investment to drive traffic and promote downloads. Further, will you charge for the app and, if you don't, will you generate enough in-app purchases to justify the ongoing maintenance, product updates and checkout integration? This is just the tip of the iceberg of considerations and costs.

## DID YOU KNOW?

Most companies spend between \$25,000 and \$100,000 on mobile apps.



<sup>3</sup> <http://www.businessnewsdaily.com/4773-cost-to-build-a-mobile-app.html>

# Marketplaces Are Making Strides on Mobile

Most online retailers are aware of the titan-like status of eBay's and Amazon's marketplaces. But many don't realize how dominant they are on the mobile front. As a result, there's a perfect storm of opportunity for retailers that are looking to go mobile — affordably.

To put the opportunity into perspective, Amazon's mobile presence is the fourth-most visited smartphone app in the US, reaching 69% of smartphone users. EBay comes in thirteenth, with a reach of 36.8%.<sup>4</sup>

Plus, many large retailers are seeing a growth in the number of mobile-only visitors. Amazon saw a 32% rise year over year, and eBay saw an impressive 88% increase year over year.<sup>5</sup>



<sup>4</sup> <https://www.comscore.com/Insights/Press-Releases/2014/3/comScore-Reports-January-2014-US-Smartphone-Subscriber-Market-Share>

<sup>5</sup> comScore State of the US Online Retail Economy in Q1 2014

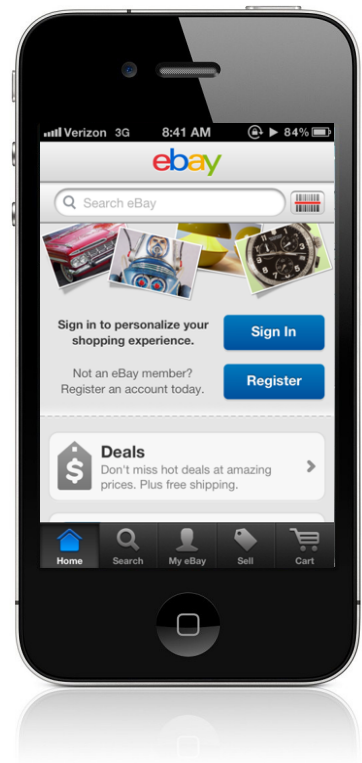
# EBay Mobile Opportunity

EBay's suite of mobile apps is designed to enable shoppers to manage all of their interactions with eBay on the go. It's clearly woven mobile innovation into its growth strategy and has launched vertical-specific apps like eBay Motors for parts and vehicles, and eBay Fashion, which suggests apparel items according to the user's favorite trends.

Here are a few data points to put the eBay mobile opportunity into perspective:

- ✓ EBay apps have been downloaded more than 260 million times.<sup>6</sup>
- ✓ Mobile added more than 14 million customers last year.<sup>7</sup>
- ✓ EBay's total mobile commerce volume grew 88% last year.<sup>8</sup>
- ✓ EBay's mobile app is now available in seven languages.<sup>9</sup>

EBay has further incentivized shoppers to convert within the app by simplifying payment with a three-click checkout. Shoppers log in to their PayPal account, confirm shipping information and click to purchase.



6 <http://cc.ebay.com/>

7, 8 <http://www.marketwatch.com/story/ebay-inc-reports-fourth-quarter-and-full-year2013-results-2014-01-22>

9 <http://www.internetretailer.com/2014/05/15/ebay-enters-latin-america>

# Amazon Mobile Opportunity

EBay's not the only marketplace making notable strides on the mobile front. Your eyes (and products) should be on marketplace behemoth Amazon, too. Following suit with its traditional consumer-centric approach, Amazon's suite of mobile apps brings easy searching, reviews, purchasing and account management to shoppers in mobile and tablet format.

To drive even more value for the on-the-go consumer, Amazon has an app devoted to price comparison, Amazon Price Check, which allows consumers to use camera, barcode scanning, speech or text search to find low prices among Amazon merchants and then purchase immediately within the app.

To put Amazon's presence within the mobile sphere into perspective:

- ✓ 164 million consumers using the mobile web and mobile apps have accessed Amazon.com.<sup>10</sup>
- ✓ During the 2013 holiday season, more than half of Amazon customers shopped with a mobile device.<sup>11</sup>

All of Amazon's apps undergo periodic iterations to enhance functionality, and make browsing and buying on the go even more convenient. Past updates to the Amazon Mobile app include wish lists, product sharing options, One-Click ordering, Prime member support, order tracking and exclusive in-app offers.



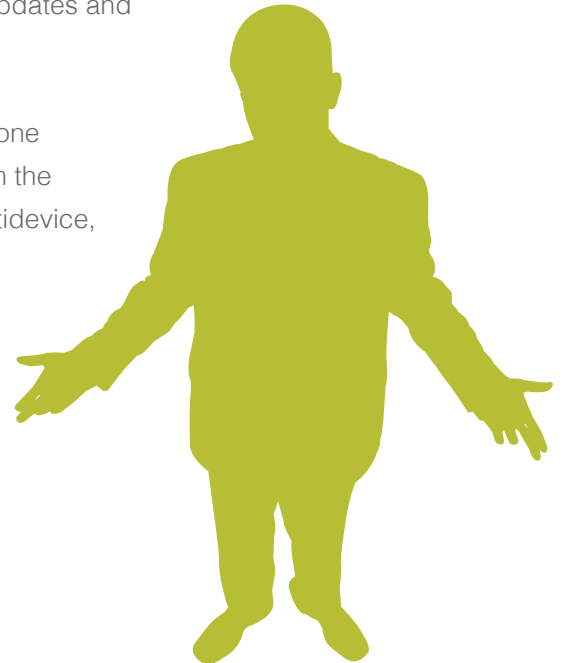
<sup>10</sup> comScore State of the US Online Retail Economy in Q1 2014  
<sup>11</sup> <http://phx.corporate-ir.net/phoenix.zhtml?c=176060&p=irol-newsArticle&ID=1886961>

# Capture the Mobile Audience Without Blind Investment

It's time to rethink your approach.

Getting in front of mobile audiences doesn't necessitate that you build an app. Instead, ride the already successful waves of Amazon and eBay. There, the mobile audience is established, app functionality is smooth and seamless, and payments are integrated and secure. Not to mention that you won't be responsible for maintenance, updates and additional fees that come with developing your own app.

Both eBay's and Amazon's websites and mobile apps make integration with one or both of these marketplaces a win-win for online retailers. You'll benefit from the increased product exposure and position yourself for success in today's multidevice, anytime-anywhere shopping environment.



# Don't Launch Alone

All Amazon and eBay third-party merchants' products are listed on these marketplaces' respective mobile apps. ChannelAdvisor's suite of software solutions and services, which includes robust functionality to syndicate and optimize integration with eBay and Amazon, is built for retailers to successfully capitalize on the opportunity without being hindered by the challenges and nuances of listing on these marketplaces.

To learn more about how ChannelAdvisor can help you maximize your mobile presence through marketplaces, contact [info@channeladvisor.com](mailto:info@channeladvisor.com) or call 866.264.8594.

Trust us. **Be Seen.**

**To learn more:**

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