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Mobile Channel Strategy: An Overview

by Carrie Johnson and Peter Wannemacher
for eBusiness & Channel Strategy Professionals

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How eBusiness Leaders Should Approach Mobile As A Sales And Service Channel

by **Carrie Johnson and Peter Wannemacher**

with Julie A. Ask and Beth Hoffman

EXECUTIVE SUMMARY

Across the globe, the mobile channel is growing at a rapid rate. eBusiness and channel strategy leaders at B2B and B2C firms are at the forefront: 94% of eBusiness managers we surveyed are either responsible for or involved in the planning of a mobile strategy. Unclear strategies for the channel, lack of expertise, and technical challenges hinder execution, though, as eBusiness professionals race to catch up with skyrocketing consumer adoption of mobile activities. Creating a mobile strategy requires cross-functional cooperation, a methodical approach to strategy creation that starts by examining customer use of the channel, and clearly defined metrics. eBusiness and channel strategy professionals must determine how the mobile channel's unique characteristics of simplicity, immediacy, and context can translate into multichannel, cross-channel, or mobile-only offerings.

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Forrester interviewed eBusiness and channel strategy executives at seven vendor and user companies in Europe, the Middle East, and North America. In addition, this report includes data from our Q2 2010 Global eBusiness And Channel Strategy Professional Online Survey.

Related Research Documents

["Mobile Is Not Just Another Channel"](#)

February 25, 2011

["2011 Mobile Trends"](#)

January 24, 2011

["What Financial Functionality US Consumers Want On Mobile Devices"](#)

July 12, 2010

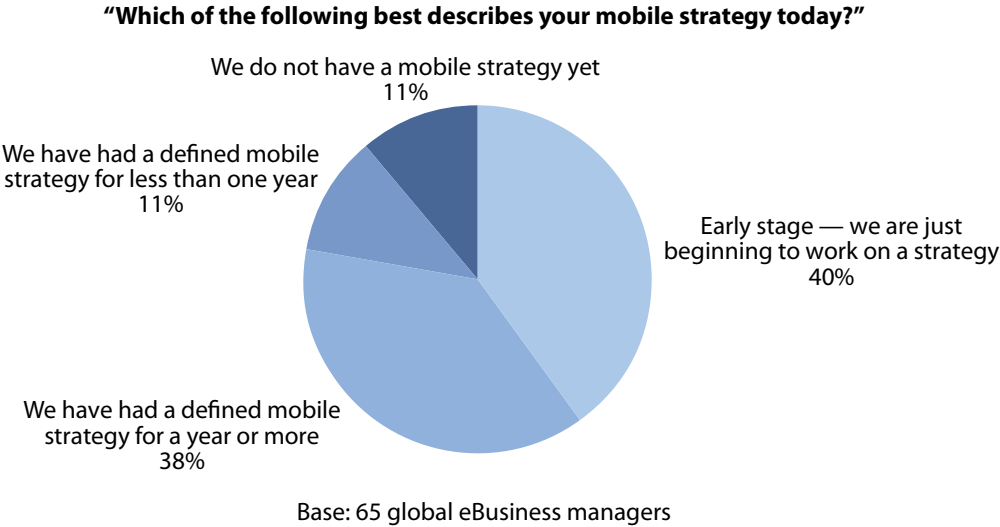
EBUSINESS PROFESSIONALS LEAD OR HELP DEVELOP MOBILE STRATEGIES

Across the globe, the mobile channel is growing fast. People in every country are buying more and more advanced mobile devices, companies are launching smartphone apps by the thousands, and businesses and consumers alike are using mobile phones for everyday activities like checking the weather, taking advantage of discounts, shopping, or sending and receiving financial information. As mobile adoption increases, eBusiness and channel strategy professionals are challenged to determine how these devices integrate with their existing sales and service channels. Rapid adoption of the mobile channel is a critical driver of the need for eBusiness professionals to evolve their eBusiness strategy and operations to agile commerce. It is imperative that eBusiness professionals configure their overall resources and capabilities to stay ahead of the rate of change as consumer technology adoption and behaviors change.¹ The mobile channel has seen more change than any other customer-facing touchpoint in the past two years.

To understand how mobile is evolving as a channel and how eBusiness professionals are responding to this customer touchpoint, Forrester surveyed 65 eBusiness professionals from 18 different countries and found that:

- **eBusiness leaders are responsible for or involved in their firm's mobile strategy.** eBusiness leaders are at the helm or at least at the table of their companies' mobile planning: 94% of the eBusiness professionals surveyed are either responsible for or involved in the planning of the mobile strategy.
- **Most mobile strategies are still in the early stages.** Eighty-nine percent of the eBusiness professionals we surveyed said their firm currently has a mobile strategy in place (see Figure 1). Firms are at very different stages in their strategy development, though: Among these professionals, roughly half say this mobile strategy is in its infancy and that they are just beginning to work on a strategy. To develop those strategies, more than half of respondents ran brainstorming and drafting workshops or exercises and 36% surveyed their customers to understand their mobile behavior and needs (see Figure 2). For some eBusiness and channel strategy leaders, this research process yielded specific target audiences for mobile offerings: 26% say reaching particular consumer segments is a top priority for the mobile channel.
- **Firms dedicate real employee resources to mobile efforts.** Not long ago, even forward-thinking firms employed just one or two people dedicated to the mobile channel, but that has changed. The eBusiness and channel strategy professionals that we surveyed have an average of six employees focused on mobile. An enviable 9% of eBusiness professionals say their firm has 15 or more employees working on mobile (see Figure 3).

Figure 1 Most eBusiness Managers Have Had A Defined Mobile Strategy For Less Than A Year

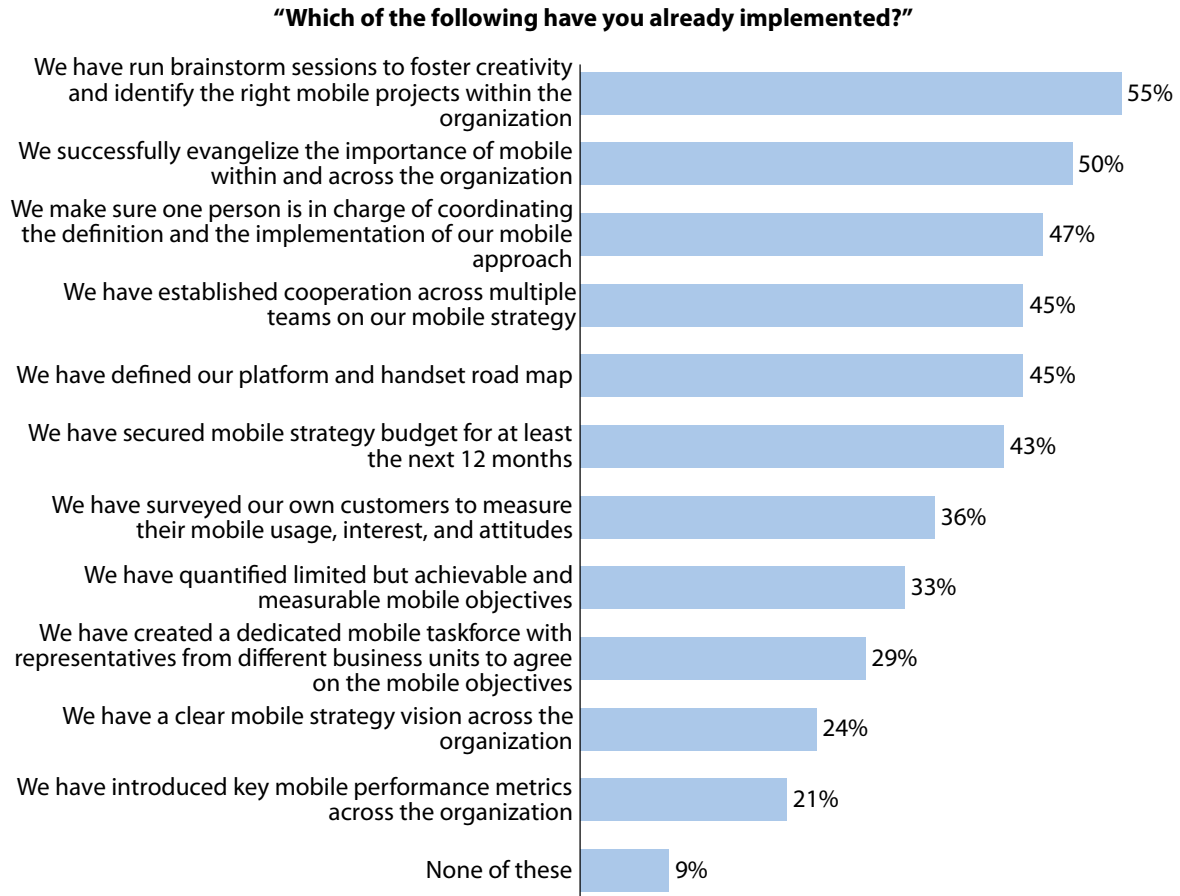


Source: Q2 2010 Global eBusiness And Channel Strategy Professional Online Survey

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Source: Forrester Research, Inc.

Figure 2 Many eBusiness Teams Begin By Brainstorming And Evangelizing The Channel Internally



Base: 58 global eBusiness managers who have a mobile strategy in place (multiple responses accepted)

Source: Q2 2010 Global eBusiness And Channel Strategy Professional Online Survey

58505

Source: Forrester Research, Inc.

Figure 3 eBusiness Teams Have More Than Five Employees, On Average, Dedicated To Mobile

“Approximately how many people within your company are working full-time for your company’s mobile efforts globally?”

At least one	Two or more	Five or more	15 or more	50 or more
65%	51%	20%	9%	4%

**Average number of employees
dedicated to mobile**

5.8

Base: 55 global eBusiness managers who have a mobile strategy in place

Source: Q2 2010 Global eBusiness And Channel Strategy Professional Online Survey

Note: We have excluded three managers who said they didn’t know.

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Source: Forrester Research, Inc.

eBusiness Professionals Offer Mobile Services Through Three Main Delivery Methods

Is there an app for that? Or do eBusiness professionals mostly rely on SMS and mobile-optimized websites? Our survey revealed that:

- **Mobile websites dominate mobile offerings.** More than half of eBusiness professionals say that their firm has a mobile-optimized website, and 40% plan to have one. Why so high? Because mobile Web use has grown consistently over the past several years due to a combination of increasingly advanced handsets, mobile browsers, and cellular networks. The percentage of US adult mobile phone owners who access the mobile Web at least daily rose from 4% in 2007 to 13% by 2010.²
- **SMS marketing and service alerts are still prevalent.** SMS text messaging, the oldest and simplest mobile delivery method, is still the most commonly used type of mobile data service. From 2008 to 2010, mobile adoption of a wide swath of activities has risen sharply, yet SMS continues to dominate. In the US, the proportion of online adults with mobile phones who use SMS at least weekly jumped from 30% in 2007 to 56% in 2010.³ Not surprisingly, SMS is the second most common mobile delivery method among eBusiness and channel strategy professionals: More than half of those surveyed say they currently use SMS either for marketing or service alerts. These alerts range from checking account balances to package delivery notifications.
- **Executives have big plans for downloadable apps.** The success of smartphones and — more recently — tablets like the iPad, along with the Apple, Android, and BlackBerry app stores, has led many executives to conclude that a mobile app is a must-have. Forty-three percent of

eBusiness professionals surveyed offer an iPhone app, with another 50% planning to offer one. And while only 24% have apps for other platforms, a whopping 60% have plans to introduce them. One eBusiness executive we spoke to put it succinctly: “We’re putting all our eggs in the downloadable apps basket.”

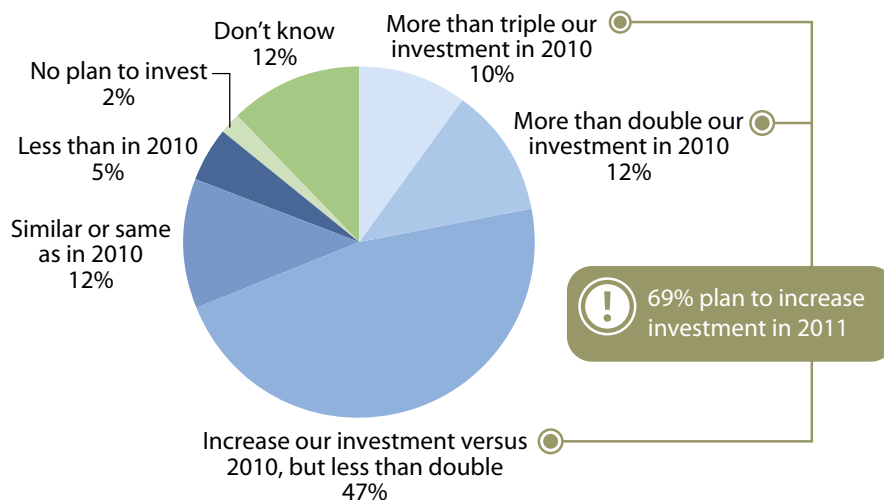
eBusiness Teams Will Increase Mobile Investment In 2011

As eBusiness and channel strategy professionals develop mobile channel plans, strategies, and specific offerings, they’re expecting to increase investment but are not yet tying increased spending to direct revenue plans.

- **Most eBusiness managers will increase mobile spending in 2011 . . .** Sixty-nine percent of the eBusiness professionals we surveyed say their firms will increase their investment in mobile for 2011, compared with just 5% who say they plan to decrease spending (see Figure 4). What’s more, 22% say they will more than double their investment in mobile compared with 2010, and 10% say their spending on mobile will more than triple.
- **. . . yet firms focus on engagement over direct revenue goals.** Respondents remain conservative in their estimates of mobile revenue generation. When asked how much revenue they expected the mobile channel to generate in 2010, 28% said either “none” or that “revenue generation is not an objective we pursue via mobile.” Another 17% said they expected mobile revenues of less than \$500,000, while just 7% expected revenues of \$1 million or more via mobile. Instead, two-thirds of eBusiness professionals say the objective of their mobile strategy is to “increase customer engagement,” making this the No. 1 priority among eBusiness leaders (see Figure 5). More than half say their mobile efforts aim to boost customer satisfaction, while 29% say they want to build customer loyalty. Seventeen percent say they are using mobile to “test and learn.”

Figure 4 More Than Two-Thirds Of eBusiness Teams Plan To Increase Their Investment In Mobile

“What kind of investment in mobile do you foresee your company making in 2011?”



Base: 58 global eBusiness managers who have a mobile strategy in place

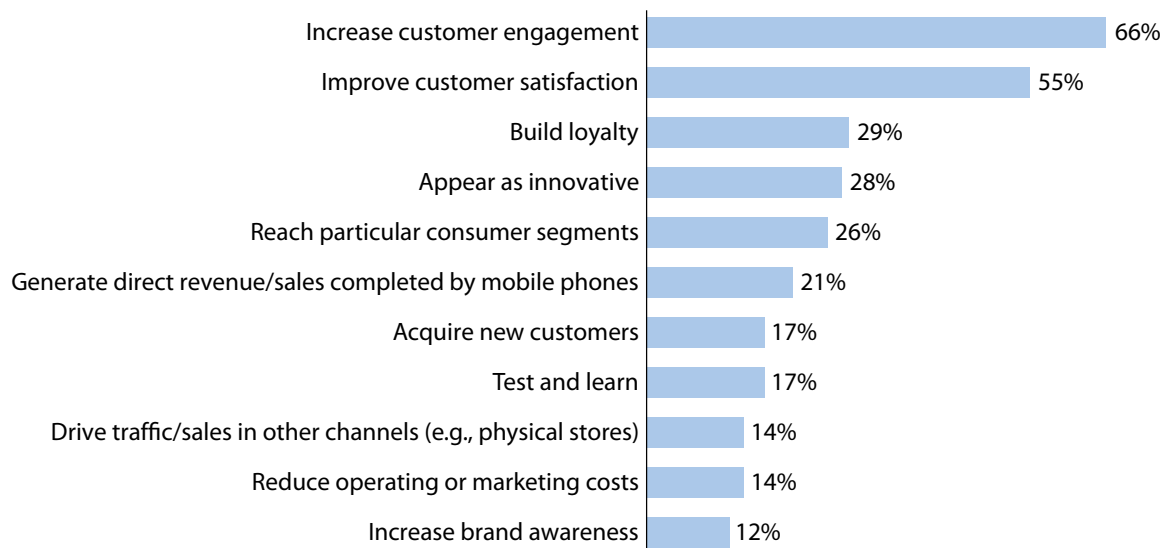
Source: Q2 2010 Global eBusiness And Channel Strategy Professional Online Survey

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Source: Forrester Research, Inc.

Figure 5 Most Mobile Strategies Are Customer-Focused

“What are your company’s top three priorities/objectives for mobile?”



Base: 58 global eBusiness managers who have a mobile strategy in place (multiple responses accepted)

Source: Q2 2010 Global eBusiness And Channel Strategy Professional Online Survey

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Source: Forrester Research, Inc.

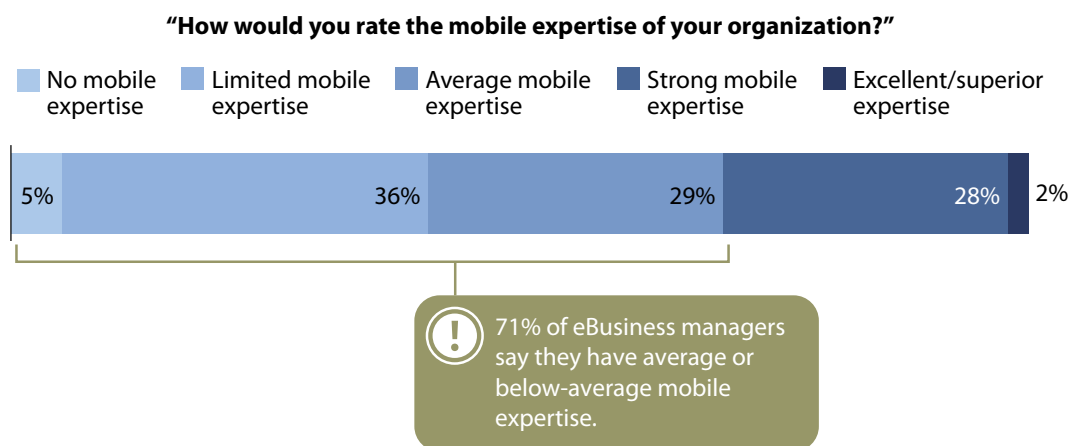
Classic Resource, Technology, And ROI Concerns Plague eBusiness Mobile Efforts

eBusiness professionals are certainly bullish on their outlook for the mobile channel. But that doesn't mean it's going to be all roses and tiaras. eBusiness and channel strategy leaders are running into some familiar barriers as they look to develop and implement mobile strategies, namely:

- **Securing budget.** As we've seen in the online channel, getting money and staffing for mobile keeps eBusiness leaders up at night: 52% of eBusiness managers say they struggle to get the budget or resources they need to develop mobile services.
- **Measuring success and ROI.** Perhaps explaining why budget is hard to secure, 33% of the eBusiness professionals surveyed admitted that they don't know how to measure the ROI of mobile. Without sophisticated analytics, most respondents rely on traffic data. Eighty-three percent of eBusiness managers cite traffic as the metric they use to measure the success of their mobile strategy, making it by far the most widely used mobile metric. Sixty-nine percent use the number of customer interactions via the mobile channel, just one-third measure the value of orders and transactions, and fewer than one in five measure the number of leads generated via mobile.
- **Building mobile channel and technical expertise.** The mobile channel appears to have tested the resources of eBusiness teams. When it comes to mobile expertise, firms are lacking. Forty-one percent of those surveyed say they have below-average mobile expertise, and another 29% say they are about average (see Figure 6). When it comes to the technological aspects of the mobile channel, eBusiness leaders are even more in the dark: 53% cite at least one major concern around mobile technologies. Specifically, 38% say they don't have the right skills or expertise, 29% say they don't know what to do internally and what to outsource, and 19% simply don't know which technologies they should use for mobile.

Figure 6 Limited Mobile Expertise And Technology Concerns Worry eBusiness Managers

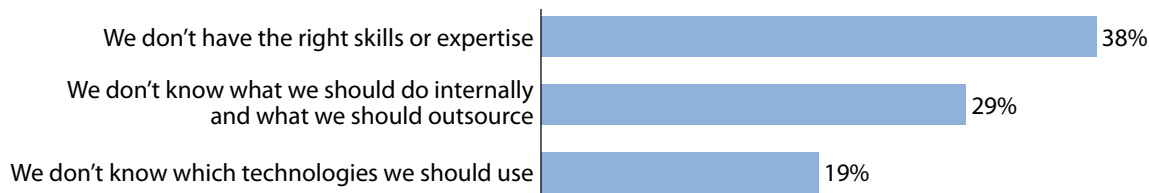
6-1 Few teams feel they have excellent mobile expertise



Base: 58 global eBusiness managers who have a mobile strategy in place

6-2 Mobile technology concerns among eBusiness leaders

“Considering technology and expertise, which of the following apply to your organization?”



Base: 58 global eBusiness managers who have a mobile strategy in place (multiple responses accepted)

Source: Q2 2010 Global eBusiness And Channel Strategy Professional Online Survey

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Source: Forrester Research, Inc.

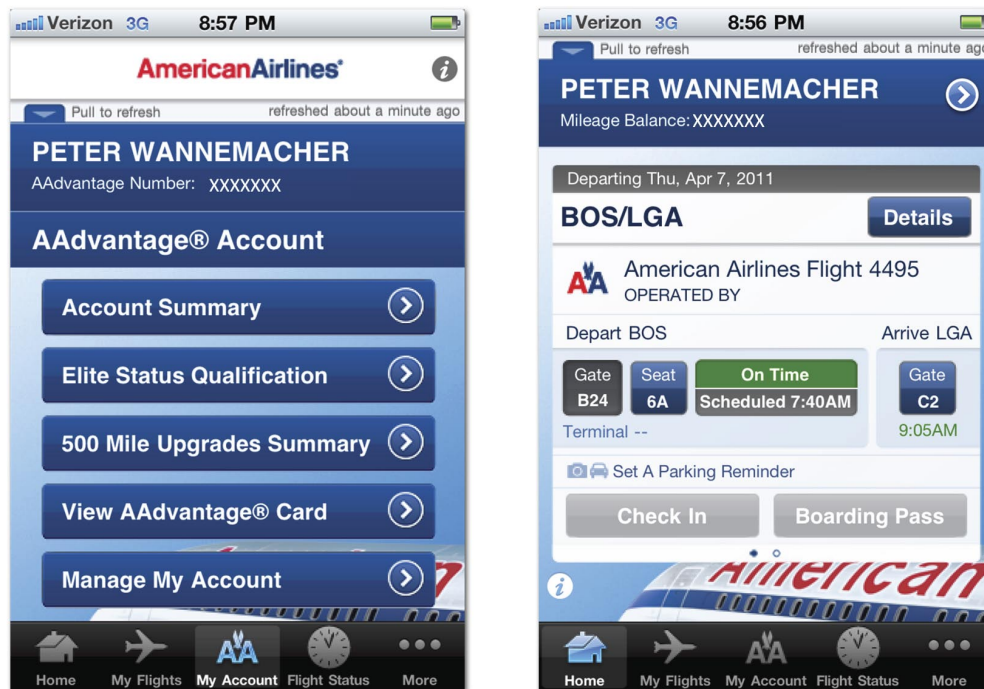
CONSUMER ADOPTION OF MOBILE EBUSINESS ACTIVITIES WILL CONTINUE TO RISE

Like contestants at the end of *Final Jeopardy*, eBusiness professionals can sense that they're racing against the clock to figure out role of the mobile channel: Consumer adoption speeds ahead, and eBusiness professionals rush to provide solutions in real time. We expect these activities to increase across the board, driven by three main forces: Mobile-savvy Gen Yers and Gen Xers will become more active customers, smartphones and tablets will continue to go mainstream, and emerging markets will swell the ranks of mobile consumers. The dramatic growth of the mobile channel can be seen across many types of activities that eBusiness leaders oversee — from healthcare to retail.

- **Travel and hospitality: Mobile devices and travelers are a logical fit.** The travel industry was quick to adopt mobile space: Razor-thin product margins mean that travel suppliers seek any opportunity they can to engage customers directly, resulting in advanced mobile offerings like American Airlines' mobile flight check-in app. Plus, the on-the-go and immediate nature of travel and hospitality activities, along with the high level of tech comfort among many leisure and business travelers, makes the mobile channel a logical fit for many travel activities. The fit is evident in adoption rates, as well: More than one in four US online adults have used SMS or the mobile Web for a travel-related activity — such as reserving a hotel room or checking a flight's status — in the past year.⁴ Moreover, 11% of US online adults have downloaded a travel-related mobile app such as TripAdvisor's apps for the iPhone and iPad or American Airlines' iPhone app (see Figure 7).⁵
- **Retail: Product research trumps sales — today.** While few customers make mobile product purchases today, mobile devices offer them the ability to research purchases while in a store or branch and also receive targeted promotions in those stores.⁶ Today, the offline-influenced opportunity is larger than direct mobile commerce, but there are signs that the mobile commerce market will take off in the next two years. In Europe, 16% of online buyers have already used their mobile phone for a shopping-related activity.⁷ In the US, 13% of US online adults with a cell phone have used a mobile device to purchase a product without speaking to anyone.⁸ Nearly half of these mobile shoppers made their purchase using a mobile website, while less than one-fifth did so using a mobile shopping app like RedLaser or Kraft's iFood Assistant (see Figure 8). In addition, 29% of US mobile shoppers say they've spent \$100 or more in the past year via the mobile channel, and the average amount spent on mobile purchases in 2010 was \$62.⁹ Retail firms are catching on: eBay has already reported global revenues of almost \$2 billion from its mobile channels during 2010 and to date has had more than 30 million downloads of its various mobile apps.¹⁰
- **Financial services: Mobile banking will displace online banking.** Because technologies like smartphone apps let customers perform simple tasks more quickly and easily than on a PC, Forrester believes that mobile banking will displace online banking for routine interactions.¹¹ In the US, we expect the number of mobile banking customers to pass the 50 million mark by 2015.¹² Today, 18% of online Europeans use any type of mobile banking, compared with only 13% a year earlier.¹³ In addition, Forrester has seen increased adoption of mobile investing and trading among investors: 11% of US online adults with an investment account are now mobile investors.¹⁴ Examples of mobile banking apps include Deutsche Postbank's iPhone app that provides an ATM locator showing customers the nearest ATMs where they can withdraw cash for free and helps them get there.¹⁵ In addition, Forrester has identified a handful of providers — including the investment firm Generali France and the Israeli insurer Migdal — that use the mobile channel to support third parties such as independent agents and financial advisors.¹⁶

- **Healthcare: Plans move forward despite low consumer interest.** eBusiness professionals at health plans believe that as US healthcare reform takes hold, more customers will interact and transact directly with self-service channels like the Web and mobile. As a result, health plans and healthcare providers in the US are beginning to develop and launch mobile solutions in earnest. These efforts commonly involve developing mobile solutions to help educate customers, control costs, provide better customer care, and drive sales.¹⁷ The complexity of health plan selection and management will mean that consumers adopt mobile healthcare activities at a much slower rate than travel or retail ones, but the consumer empowerment in general that comes with US healthcare reform will mandate that plans create mobile strategies for information-hungry customers. Examples of current efforts include Aetna's health insurance claims, benefits, search, and prescription management tools; Highmark's help with care options, treatment, and basic medical information; Humana's games and apps to promote exercise; and Blue Cross Blue Shield of Kansas City's SMS and mobile web lead generation.

Figure 7 American Airlines' iPhone App Offers Travelers Valuable Information And Functionality



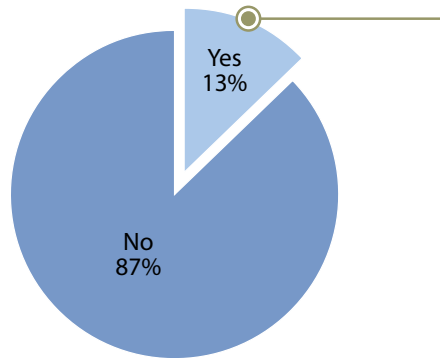
Source: American Airlines iPhone app

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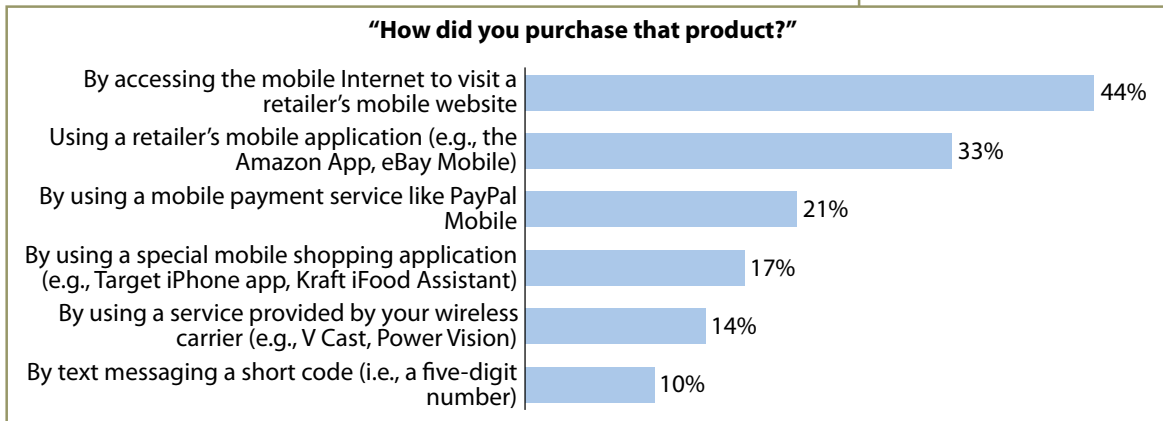
Source: Forrester Research, Inc.

Figure 8: Mobile Shopping In The US

“Have you ever used your cell phone to purchase a product (excluding digital content, such as ring tones) without speaking to anyone (i.e., calling the retailer, wireless carrier, or seller)?”



Base: 4,306 US online adults who own a mobile device



Base: 445 US online adults who own a mobile device and used it to purchase a product in the past three months

Sources: North American Technographics® Retail Online Survey, Q1 2011 (US)

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Source: Forrester Research, Inc.

CREATING THE RIGHT EBUSINESS MOBILE STRATEGY

With the opportunity growing so large, how should eBusiness and channel strategy professionals approach the mobile channel? Much like the Web, mobile services will evolve as firms are able to show success of early efforts and make the case for additional expertise and resources. Today, eBusiness professionals often launch mobile initiatives with the help of a point solution, systems integrator, or agency with mobile experience. We recommend beginning the process by leveraging existing infrastructure and gradually looking to introduce new convenient services to customers. The most successful mobile strategies for launching those services include:

- **Thoughtful planning before jumping in.** Simple but effective, Forrester's Mobile POST methodology is the backbone of successful strategies for the mobile channel.¹⁸ eBusiness professionals at companies across the globe and in a wide array of industries have used Mobile POST to develop mobile strategies that meet their firms' unique mobile business objectives and target market needs. Many firms opt to begin with an analysis of their customers' sophistication levels. Forrester's Mobile Technographics® provides an initial high-level snapshot that shows how sophisticated your target audience is. It shows what is possible with mobile services — how much of your audience can be reached with applications or SMS, for example.
- **Prioritization of initiatives.** The four steps of the Mobile POST methodology have one thing in common: prioritization. Our Convenience Quotient provides a framework for mobile initiative prioritization: We have identified three mobile dependence criteria that predict whether users will migrate away from the PC and toward the cell phone for mobile services.¹⁹ These three criteria are, as mentioned before, immediacy, simplicity, and context. As an example, eBusiness leaders at Steve Madden, a designer and manufacturer of contemporary shoes and accessories, chose to move into the mobile space by focusing on immediate access to content and information on the firm's mobile website, rather than quick response (QR) codes, mobile coupons, or point-of-sale (POS) mobile payments.
- **A cross-functional team.** eBusiness ownership of mobile originates in the “mobile is another prong in our multichannel strategy” approach. The fact that digital is often associated with online strengthens this argument and default assignment of ownership. While this is a great starting point, opportunities in mobile go well beyond online research, shopping, and customer service. New opportunities in mobile that will drive customer loyalty will be rooted in mobile payments; loyalty programs; and in-store, in-airport, and at-accident-site experiences. Strategists with broader responsibility for sales, marketing, distribution, and customer service today should evaluate how mobile can help build a better business. Given the benefits of shared infrastructure, eBusiness professionals should form and work in cross-functional teams to obtain the best results and prioritize each role's needs.
- **Clear metrics and key performance indicators (KPIs) to measure success.** When we ask what metrics are in place to understand mobile results, few eBusiness leaders tell us they measure beyond mobile site traffic or app downloads. Just as traffic and visits don't paint complete pictures of website effectiveness or satisfaction, these metrics are too basic for the mobile channel, and eBusiness professionals must establish richer success measures at the beginning of mobile strategy execution. For example, the percentage of users who use functionality — and the features they use — offer eBusiness leaders a deeper and more robust account of how mobile offerings are being adopted and used by customers. Additionally, metrics that take stock of mobile adopters' use of other channels — how many overall trades mobile traders are making, for example — give eBusiness professionals a view of the impact that the mobile channel has on other channels.

Hone Mobile Offerings By Understanding How Devices Supplement Multichannel Strategies

Most eBusiness and channel strategy executives are responsible for creating and executing strategies for multiple channels and touchpoints, including the website and kiosks. When crafting mobile strategies, eBusiness and channel strategy professionals should examine and analyze how mobile works with or adds to current multichannel and touchpoint strategies.

Mobile offers three benefits over other channels — simplicity, immediacy, and context. eBusiness professionals can use these benefits to create marketing, selling, and support capabilities that assist multichannel efforts or to create experiences or services that are only possible on mobile devices due to their unique characteristics. Mobile's benefits include:²⁰

- **Simplicity.** The mobile channel is particularly suited for tasks that people do frequently that require few steps to achieve goals. E-mart, the largest discount retailer in South Korea, offers smartphone apps that put shoppers a single click away from store information, news and special deals, and even shopping directly from their mobile devices (see Figure 9). Continental Airlines supports customers' needs while traveling, with check-in, flight status, airport maps, and mobile boarding passes on the home page of its mobile application.
- **Immediacy.** Since most people have their mobile phones with them all the time and leave them switched on 24x7, they are well suited for delivering content that matters to customers instantly. For example, checking banking account balances rather than having to wait until they next log on to online banking or visit an ATM. In the UK, Lloyds TSB customers receive a free SMS text message when their debit card is used to make cash withdrawals abroad or to pay a company that is based abroad. If the customer isn't aware of the transaction, he can instantly call a number provided in the alert to block his account. Customers using Amazon.com's SnapTell can link to movie previews and competitive online and local pricing by taking a photo of a DVD cover.
- **Context.** Most people carry their mobile phones with them wherever they go, and technologies like built-in GPS chips can locate a customer's current location. eBusiness professionals' firms can use these capabilities to provide services that are relevant to where the customer is, like location-based promotions and even interactive product information with augmented reality capabilities. US fast-food restaurant In-N-Out Burger depends on revenue from its base of loyal fans, many of whom in turn depend on the firm's iPhone app, which uses Google Maps to tell them where the nearest In-N-Out Burger location is and how to get there (see Figure 10). NearestWiki overlays GPS with images to identify objects like historic buildings and provide relevant content.

eBusiness and channel strategy professionals can use these mobile phones characteristics to consider three types of mobile offerings:²¹

- **Multichannel.** Mobile phones and tablets are devices with browsers just like PCs. Mobile offerings can simply replicate other touchpoints as part of a consistent, seamless multichannel experience. As part of this strategy, eBusiness and channel strategy executives must select the right content and functionality for smaller screens. Continental Airlines, for example, supports

customers' needs while traveling, with check-in, flight status, airport maps, and mobile boarding passes on the home page of its mobile application. These elements represent a small subset of the functionality on the PC-based website, which aims more at bookings. Airport maps are several clicks away from the home page online.

- **Cross-channel.** Cross-channel implies using two channels to deliver a service or driving use of one channel through another. Like multichannel experiences, cross-channel offerings must maintain a customer's state — information, needs, etc. — across channels. For example, Walgreens sends SMS messages to customers stating that prescriptions are ready for in-store pickup.
- **Mobile only.** Some experiences or services are only possible on mobile devices due to their unique characteristics, like portable cameras, GPS, or gyroscopes. eBusiness and channel strategy professionals can use mobile devices to offer unique solutions to customer pain points and/or to fundamentally change how customers or employees engage with the business, product, or service. Remote check capture is an illustration of this, as is Intuit's service that offers tax return input with a simple photo of a customer's W-2 form. Target uses short codes in the store to extend its aisles and link guests to more products and information (e.g., other store inventory, buy online, other sizes, collections, videos, etc.).

Figure 9 South Korea's E-Mart Puts Adopters A Click Away From Deals And Tools

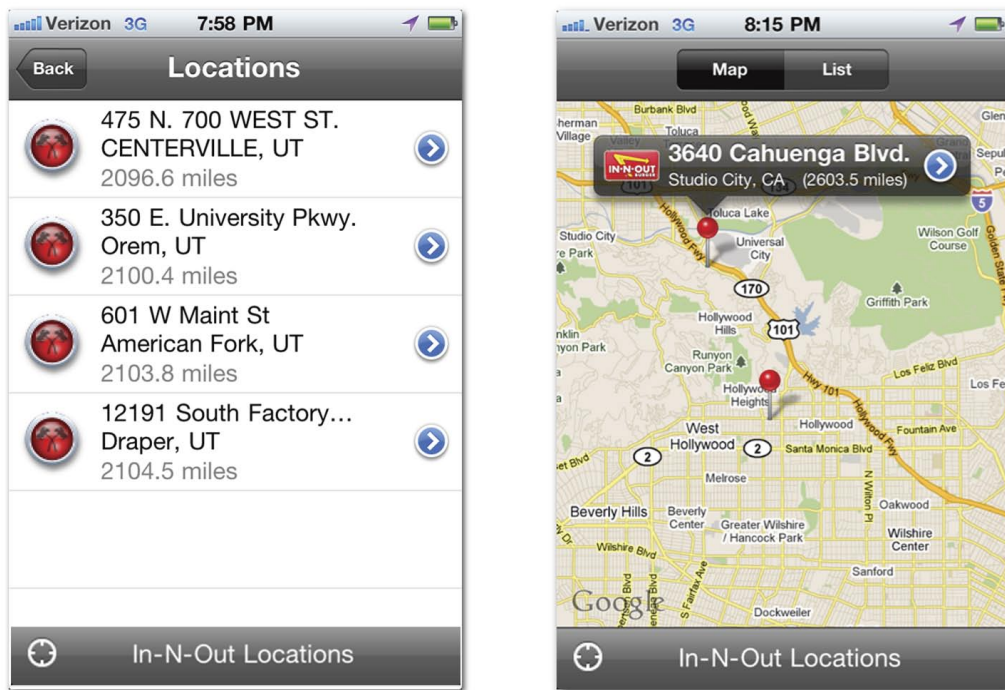


Source: E-mart iPhone app

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Source: Forrester Research, Inc.

Figure 10 In-N-Out Burger Uses GPS To Help Customers Find The Closest Location



Source: In-N-Out Burger iPhone app

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Source: Forrester Research, Inc.

WHAT IT MEANS

SUCCESS REQUIRES ANALYTICS AS PART OF AN EVOLUTION TO AGILE COMMERCE

For eBusiness and channel strategy professionals, the mobile channel is exciting, full of opportunities, and also a fast-moving target. Mobile isn't just another shiny object; it's one of an ever-increasing number of touchpoints in which companies can engage their customers. Understanding how your customers use mobile in concert with other touchpoints is central to the evolution from multichannel to agile commerce.

At the most basic level, eBusiness and channel strategy professionals crafting a mobile strategy must use website analytics to get insight into the features, services, and content that their customers use most: Consumers are most likely look to transfer those activities to mobile devices. To truly develop a strategy that delivers the best information and services to customers at the right time, all levels of the organization must develop a coherent and clear view of the customer as they engage across the business. This requires a focused investment in cross-touchpoint attribution, an evolution of KPIs and how they are used, and a strong commitment to customer and business analytics.

SUPPLEMENTAL MATERIAL

Methodology

Forrester fielded its Q2 2010 Global eBusiness And Channel Strategy Professional Online Survey to 224 eBusiness and channel strategy, marketing leadership, and consumer product strategy professionals from our ongoing Marketing And Strategy Industry Research Panel; however, only a portion of survey results are illustrated in this document. The panel consists of volunteers who join on the basis of interest and familiarity with specific marketing and strategy topics. For quality assurance, panelists are required to provide contact information and answer basic questions about their firms' revenue and budgets.

Forrester fielded the survey from June 16 to June 21, 2010. Respondent incentives included a summary of the survey results.

Exact sample sizes are provided in this report on a question-by-question basis. Panels are not guaranteed to be representative of the population. Unless otherwise noted, statistical data is intended to be used for descriptive and not inferential purposes.

If you're interested in joining one of Forrester's research panels, you may visit us at <http://Forrester.com/Panel>.

ENDNOTES

- ¹ We define agile commerce as an approach to commerce that enables businesses to optimize their people, processes, and technology to serve customers across all touchpoints. See the March 11, 2011, "[Welcome To The Era Of Agile Commerce](#)" report.
- ² Looked at through another lens, the same trends are visible: At year-end 2007, only 11% of US adult cell phone owners accessed the mobile Web monthly or more often. Less than a year later, 15% of US adult cell phone owners accessed the mobile Web. By mid-2009, adoption had risen to 17%. The primary access point to the mobile Web used to be carrier web portals that ostensibly acted like cell phone home pages but became insufficient for the most sophisticated users. Today's mobile devices have very powerful browsers and the ability to download feature-rich sites, reducing the need for and desirability of carrier portals. See the July 29, 2010, "[Making The Case For The Mobile Internet](#)" report.
- ³ Source: North American Technographics® Benchmark Survey, Q2 2010 (US, Canada) and North American Technographics Benchmark Survey, 2007. As consumers are streamlining their behaviors on the "traditional" Internet, they are also increasingly expanding their activities to the mobile Web. Forrester's Technographics data helps market research professionals understand the existing online landscape and prepare for where online consumer behavior is headed. See the December 13, 2010, "[Understanding The Changing Needs Of The US Online Consumer, 2010](#)" report.
- ⁴ Source: North American Technographics Travel Online Survey, Q1 2010 (US).
- ⁵ Source: North American Technographics Travel Online Survey, Q1 2010 (US).

- ⁶ Location-based commerce is an evolution of mobile commerce that leverages the known location of the consumer to drive contextual engagement with mobile shopping applications relative to a known location or retail store. The combination of GPS, application multitasking, and push notification technology in newer Android and iPhone handsets for the first time has created a cohesive platform that eBusiness executives can leverage to deliver tightly integrated multichannel promotions, offers, and services directly to their customers at the right time and in the right place. See the February 15, 2011, "[Location-Based Commerce: An Evolution In Mobile Shopping](#)" report.
- ⁷ European mobile commerce is still at an early stage. Digital content is still the primary product purchased via mobile devices, but consumers show growing interest in using their mobile phone for all sorts of shopping activities. Many enablers are in place, including the widespread availability of high-speed mobile networks and the emergence of devices with superior features, which means ease of use and user-friendly interfaces. Some European retailers are starting to launch applications and improved mobile Web sites to render their content properly on a mobile device. See the July 13, 2010, "[The State Of Mobile Commerce In Europe](#)" report.
- ⁸ Source: North American Technographics Retail Online Survey, Q1 2011 (US).
- ⁹ Source: North American Technographics Retail Online Benchmark Recontact Survey, Q2 2010 (US).
- ¹⁰ In 2009, eBay reported \$400 million in transactions via mobile devices. In 2010, it achieved \$2 billion in mobile revenues by year-end. Source: Dan Butcher, "eBay generates \$2B in mobile sales in 2010," *Mobile Commerce Daily*, January 7, 2011 (<http://www.mobilecommercedaily.com/2011/01/07/ebay-claims-mobile-sales-tripled-in-one-year>). For more information, see the February 14, 2011, "[Mobile Technographics®: US Online Shoppers](#)" report.
- ¹¹ Thanks to growing smartphone adoption, fast all-you-can-eat data plans, and more compelling mobile content, we expect more people to start using mobile banking in the coming years. Although it will take at least five years, the unique benefits of mobile banking, like simplicity, immediacy, and context, mean that it will eventually displace online banking for frequently used day-to-day banking tasks like checking account balances, viewing transaction histories, making transfers, and paying bills. See the December 23, 2010, "[Mobile Banking Will Displace Online Banking For Routine Interactions](#)" report.
- ¹² By 2015, Forrester predicts that one in five US adults will be using mobile banking. Consumer adoption of smartphones and increasing use of the mobile Web will drive sustained growth of casual, informational use of mobile banking — to check balances, review transactions, or receive alerts. Creating preference for mobile banking broadly will require banks to deliver more obvious value and superior execution than other channels offer. See the January 31, 2011, "[US Mobile Banking Forecast, 2010 To 2015](#)" report.
- ¹³ Source: European Technographics Financial Services Online Survey, Q4 2009 and Q4 2010.
- ¹⁴ The road to widespread mobile investing adoption will be bumpy, thanks to low interest among nonadopters and the challenges of multiple mobile platforms. But as use of mobile investing and trading grows — driven by a continuing flood of smartphones and increasing consumer comfort — mobile channel managers at investment firms will succeed by prioritizing key functionality like access to current balances and holdings. See the February 16, 2011, "[The State Of Mobile Investing](#)" report.

- ¹⁵ Forrester has also outlined CIBC's first-to-market mobile banking offering in Canada. The company implemented a mobile banking architecture built by Sybase and launched mobile banking via WAP, iPhone, and rich HTML to its clients. Results have exceeded expectations, with more than 100,000 downloads of the app within weeks of the launch, and the offering garnered customer and media accolades along the way. See the May 24, 2011, "[Case Study: CIBC Takes The Canadian Mobile Banking Market Beyond WAP](#)" report.
- ¹⁶ Generali France's iNomineo app for the iPhone offers financial advisors mobile access to client information, details of clients' holdings and past transactions, and graphic illustrations of market changes. Nine months after launch, one in 10 advisors served by Generali were using iNomineo at least weekly — demonstrating the latent demand among independent advisors for a mobile B2B offering. Forrester believes Generali France is a pioneer of a trend that will see more financial providers using the mobile channel to support agents and advisors. See the May 24, 2011, "[Case Study: Generali France Supports Financial Advisors With Innovative Mobile B2B App](#)" report.
- ¹⁷ Knowing that huge numbers of US consumers own mobile phones, health plans are investing in mobile solutions designed to achieve a variety of business goals, and mobile strategists at health plans have high aspirations for mobile as a platform for extending their value proposition to consumers. See the December 30, 2010, "[The State Of Health Plans' Mobile Product Strategies](#)" report.
- ¹⁸ Success in mobile demands a systematic approach, beginning with understanding your customers or target audience via their Mobile Technographics Profile. Next, determine your objectives — to grow revenues or cut costs — and then build a strategy based on your desired offering, willingness to engage distribution partners, and level of corporate commitment to mobile in order to achieve those objectives. Once you have completed these three steps, then — and only then — should you choose technologies to implement these strategies and achieve your objectives. See the April 9, 2009, "[The POST Method: A Systematic Approach To Mobile Strategy](#)" report.
- ¹⁹ Convenience is an all-encompassing concept. Its power lies in the fact that it can be expressed in a single measure — a Convenience Quotient. Forrester's methodology quantifies the Convenience Quotient as a single number from -1 to 1 that describes the relative convenience of a product, service, or solution compared with direct and indirect competitors. It is expressed in the conceptual equation: Convenience Quotient equals product benefits minus barriers to consumer use. Mobile strategists can learn from our Convenience Quotient analysis to put convenience first when crafting their mobile experiences. Successful mobile services will support ongoing business objectives, such as improving customer acquisition, loyalty, satisfaction, and retention. See the February 6, 2009, "[Cracking The Convenience Code](#)" report, and see the October 14, 2009, "[The Convenience Quotient Of Mobile Services: A Facebook Case Study](#)" report.
- ²⁰ Forrester offers a mobile services prioritization framework to help companies develop a short-, medium- and long-term mobile services road map. Companies must evaluate proposed services within the context of how well they: 1) fit the skill set of their target audience; 2) support business objectives; and 3) have the potential to offer convenience to consumers. See the July 8, 2010, "[Creating A Mobile Services Product Road Map](#)" report.

²¹ eBusiness professionals often start mobile initiatives by thinking, “How do I scale down my PC-based web experience and leverage my existing infrastructure?” This approach is pragmatic in that it is low-cost and takes advantage of existing digital content and services. Mobile as a channel, however, has the potential to offer opportunities beyond a smaller version of a PC-based experience. While there are advantages to treating mobile as an extension of a multichannel strategy, doing so alone is too myopic. Mobile phones have unique attributes that can be combined and leveraged to generate new mobile experiences that may not even be digital today. eBusiness professionals should identify multichannel, cross-channel, and mobile-only opportunities to use the mobile channel to enhance existing offerings while creating new ones that eliminate customer pain points. See the February 25, 2011, “[Mobile Is Not Just Another Channel](#)” report.

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