# Why is Shopify AppCommerce the mCommerce industry's future?

Table of Contents:

What is the difference between AppCommerce and Mobile Commerce?

The Four Major Types of Mobile Commerce

Examples of Mobile Commerce Shops for your inspiration

Benefits of Mobile Commerce:

Why We Believe AppCommerce is the Future of mCommerce

Bottom Line

Smartphones have placed the world within our grasp, particularly for <u>Gen Zs and millennials</u>, shaping their daily routines. These devices serve as the ultimate hubs for news, connections, communication, entertainment, and research, and even act as digital shopping assistants.

With a staggering <u>6.3 billion smartphone users globally</u>, it's hardly surprising that the mobile app industry is experiencing rapid growth and flourishing. Staying in sync with the speed of today's digital landscape reveals that merely possessing a business website is insufficient.

Imagine this. You're baking a cake in your kitchen. As you mix the ingredients, you realize your pantry is out of butter. With guests arriving in an hour, panic might have set in if this were 1990. Back then, running out of an ingredient meant rushing to the local supermarket.

But it's 2023.

You smile and pull out your smartphone. Opening the grocery store app, you select the needed butter and place an order. Within moments, a delivery person arrives at your doorstep with the order.

Convenient, isn't it?

This is why mobile shopping has gained global popularity, with mobile shoppers increasing significantly. A report predicts over 187 million active mobile shoppers in the US by 2024, and mobile retail and ecommerce are expected to reach USD 510 billion in 2023 and USD 710 billion in 2025.

However, mobile-responsive websites aren't enough anymore. Consumers seek more interactive and seamless ways to shop on the go. According to Think With Google, 1/2 of shopping apps installed on a shopper's phone are used weekly.

If you're already optimizing for mobile shopping, this post highlights why AppCommerce should be your next step.

# What is the difference between app commerce and Mobile Commerce?

**AppCommerce** involves providing your target audience with a dedicated mobile app for seamless shopping experiences. This eliminates the need for users to access your brand's website through mobile browsers, preventing tabs from getting lost among various open pages.

In response to the growing preference for online shopping, e-commerce stores have been adopting various strategies to ensure a frictionless shopping journey. This evolution has seen a shift from conventional websites to mobile-responsive platforms, reshaping the shopping landscape. As of today, a rising number of brands are embracing the concept of app commerce, recognizing that consumers are inclined to shop on-the-go, making the repetitive process of opening a mobile browser cumbersome.

Considering that users now gravitate towards completing tasks via dedicated apps (such as messaging, email, and banking), it is only natural for e-commerce brands to establish their own apps. These apps allow consumers to effortlessly browse products, add items to their wishlists, and make purchases at their convenience.

On the other hand, <u>mCommerce</u>, or mobile commerce, encompasses a broader spectrum. It encompasses all activities conducted via mobile devices, including mobile browsers and apps, related to commercial transactions. While AppCommerce specifically pertains to the utilization of mobile apps for shopping, mCommerce encompasses various mobile-centric commercial activities, such as mobile banking, mobile payment apps, and more.

## The Four Major Types of Mobile Commerce

Mobile commerce encompasses more than just mobile-friendly websites; it also involves leveraging various technological avenues. Here are the four primary categories of mobile commerce:

# **Mobile Payment Applications**

Mobile payment apps are downloaded to smartphones, allowing users to send money to family and friends or make purchases. PayPal, Venmo, and Xoom are some well-known examples of these applications. Additionally, several devices have built-in card storage features, like Apple Pay, Samsung Pay, and Google Pay. Similar to contactless cards, these apps make use of near-field communication (NFC) technology. According to estimates from Worldpay, digital and

mobile wallet payments made up 49% of all online transactions worldwide in 2021, with growth forecast to reach 53% by 2024. By 2026, it is anticipated that the mobile wallet market will be worth \$350 billion. China is the country with the highest adoption of contactless payments, with mobile wallet transactions expected to reach \$5.5 billion by 2025.

## **Mobile Commerce Apps**

Mobile commerce apps offer the convenience of shopping from anywhere on smartphones. These apps enable brands to have a prominent presence on users' devices, providing an immersive shopping experience. Retail Dive reported that more than half of mobile shoppers downloaded new shopping apps before the 2021 holiday season, signaling a continued trend. Brands like Chewy and Best Buy have invested significantly in their mobile apps. Once downloaded, users can explore catalogs, make purchases, and track orders within the app. Push notifications enhance engagement, with 46% of retailers planning to invest in their custom mobile apps. Platforms like Shop cater to this demand, enabling customers to shop directly through the app.

#### **Social Commerce**

<u>Social media platforms</u> with billions of users are evolving into hubs for commerce. TikTok, with nearly 85 million users, drives \$50.4 million in annual spending. These platforms facilitate social commerce, allowing users to purchase products from third-party retailers within the app. TikTok integrates inventory and overlays products on livestreams; Instagram introduced the Shopping tab; Facebook offers a built-in storefront; and Pinterest employs buyable pins. The proliferation of mobile apps is expected to boost US retail sales through social media by 5.2% in 2023, reaching \$101.1 billion.

#### **QR** Codes

Shoppers use their smartphones to scan QR codes and access particular landing pages. Placed in physical stores, QR codes can direct shoppers to personalized in-app checkout pages or be added to product packaging for easy repurchases. These codes complement other mobile commerce technologies, including mobile banking, digital wallets, and applications.

In a world increasingly reliant on mobile devices, these diverse forms of mobile commerce offer brands innovative ways to engage customers and facilitate seamless shopping experiences.

## **Examples of Mobile Commerce Shops for your inspiration**

Here are the five mobile commerce examples with the same format:

## Emma Bridgewater:

British home and kitchen brand Emma Bridgewater prioritized improving mobile experiences during replatforming. Changes to mobile product pages and streamlined checkouts led to a 32% increase in mobile users and a 13% boost in mobile revenue. This resulted in a record-breaking sales day of £190,000 (\$255,000).

#### **LOOKFANTASTIC:**

LookFantastic, a beauty retailer, provides premium content through its mobile app, engaging users even when they're not shopping. This strategy aims to enhance the user journey, potentially driving more traffic via organic search.

### **MVMT**:

Watch retailer MVMT had a mobile-first e-commerce site and leveraged social media platforms for mobile commerce. Their approach led to significant success, with carousel ads on Facebook generating higher CTRs and lower CPAs. Engagement doubled on Instagram, and Pinterest campaigns resulted in increased conversions and higher sales.

## Olipop:

Olipop, a CPG brand selling healthy soda, optimized its mobile website for easy navigation and purchasing. Their mobile storefront prominently features "Shop Now" buttons and offers multiple opportunities to buy products, alongside subscription offers and blog content.

#### **Shop:**

Shop offers express checkout options for mobile shoppers. Customers can use digital wallets like Apple Pay and PayPal or opt for the native checkout that stores billing and payment information for one-click ordering. This results in an efficient mobile checkout process that influences order completion.

#### **Benefits of Mobile Commerce:**

Mobile commerce is causing a significant shift in the retail landscape, and for good reasons. Here are the top five advantages of mobile commerce:

#### **Mobility:**

Mobile commerce enables smartphone users to make purchases on the go, eliminating the need for desktops or laptops. With just internet access on their mobile devices, shoppers can complete transactions with a few screen taps.

Additionally, within physical stores, mobile wallets such as Apple Pay and Samsung Pay replace debit cards for convenient and secure transactions.

### **Enhanced Customer Experience:**

Surprisingly, 57% of customers won't recommend a business with a poorly designed mobile website. Notably, 15% of US adults solely use smartphones for internet access. An effective m-commerce strategy allows you to reach this audience, providing a better shopping experience compared to no experience at all.

Despite the need for mobile-friendly interfaces, 90% of customers report unsatisfactory support experiences on mobile devices. Prioritizing mobile experiences might even offer a competitive edge, as many businesses fall short in this area.

### **Security:**

Mobile commerce boasts stronger security features than traditional e-commerce websites. While online shoppers often rely on credit cards that can be susceptible to fraud, mobile wallet users have access to advanced security measures, including two-factor authentication, multi-factor authentication, and biometric authentication (fingerprints, retina scans, or face ID).

### **Capturing Omnichannel Shoppers:**

Modern shopping experiences are no longer linear. Shoppers engage with a mix of channels such as social media, mobile apps, email, in-store visits, and more. Mobile users frequently combine smartphone searches with in-store visits. Nearly 75% of US consumers use their phones to gather additional information about in-store purchases, and a quarter have changed their decisions after using their mobile devices in checkout lines.

Retailers adopting strategies catering to omnichannel shoppers and considering local search stand to benefit from blending physical commerce with mobile touch points before purchases.

### **Location Tracking Features:**

E-commerce sales have limitations in tracking due to the non-portable nature of devices. However, m-commerce apps can utilize WiFi and GPS technology for user location tracking. This allows for personalized recommendations and location-specific product offerings. Push notifications, for instance, can enable local businesses to provide personalized discounts to targeted customers in specific areas.

As Hemant Chavan, founder of <u>Brik + Clik</u>, aptly puts it, the future lies in seamlessly integrating both e-commerce and retail channels into a unified "commerce" experience.

## Why We Believe AppCommerce is the Future of mCommerce

The impact of these gadgets is apparent in a world where cellphones have become an essential component of daily life, especially for Gen Z and millennials. Smartphones have established their place as the center of news, connections, communication, entertainment, research, and online commerce. The world's 6.3 billion smartphone users make it clear that the mobile app market is expanding quickly and thriving. However, in the modern digital environment, simply having a website for your company is insufficient to meet the demands.

The distinction between mobile commerce (mCommerce) and app commerce lies in the nuances of user experience and engagement. AppCommerce entails the creation of dedicated mobile applications that enable seamless shopping, providing an alternative to accessing brand sites through mobile browsers. This innovative approach eliminates the hassle of managing multiple open tabs and provides users with an immersive, efficient shopping avenue.

In contrast, mCommerce encompasses all commercial activities conducted via mobile devices, including both mobile browsers and apps. While mobile-optimized eCommerce websites have already enhanced buying experiences on smaller screens, the advantages of building shopping apps are poised to elevate this experience further. Here, we delve into the compelling reasons why AppCommerce is set to revolutionize the future of the mCommerce industry.

#### **Seamless Shopping Experience**

Data reveals that mobile apps can cover up to 157% more than mobile web platforms. Due to their mobile-first design, which ensures quick navigation and little friction compared to their mobile web counterparts, apps offer a seamless and hassle-free shopping experience. Take, for instance, Amazon's shopping app, which allows users to effortlessly explore its extensive catalog without the delays associated with page loading.

#### **Enhanced Brand Recognition**

Leading fashion brands such as H&M, Zara, and Mango have embraced dedicated mobile apps to connect more effectively with their audience. These apps find a permanent place on users' smartphones, creating a continuous presence that readily engages customers when they're in the

mood to shop. Improved visibility increases the likelihood of repeated app usage, further boosting brand interactions.

#### **Effective Communication**

Apps facilitate ongoing interactions between brands and customers through automated messages, push notifications, and 24/7 in-app chat support. Notifications delivered directly to the mobile app screen enhance visibility and engagement. Myntra, for example, employs push notifications across the buyer journey to maintain engagement and drive multiple shopping sessions.

## **Elevated Customer Experience**

By utilizing technologies like GPS-based personalization, live streaming, augmented reality (AR), virtual reality (VR), machine learning, and artificial intelligence (AI), mobile apps provide a superior user experience. These technologies enable personalized shopping experiences by enabling brands to gain insightful user behavior data. Brands can offer tailored recommendations based on user preferences, shopping habits, and demographics, significantly enhancing the customer journey.

#### **Reduced Cart Abandonment**

Apps streamline the buying process by saving buyer information, including payment preferences and delivery addresses. This feature simplifies checkout and reduces the need to re-enter details during subsequent visits. Items can be added to the cart or wishlist, promoting a seamless shopping journey and minimizing cart abandonment. In comparison to mobile sites, apps boast a remarkably low 20% cart abandonment rate.

#### **Enhanced Customer Service**

Quality customer service fosters brand loyalty. With 73% of customers willing to pay more for superior service, offering seamless support is crucial. Mobile apps facilitate easy customer engagement, enabling buyers to connect via calls, chats with support agents, FAQs, and forums. This accessibility streamlines interactions and contributes to customer satisfaction.

#### **Increased Average Order Value**

Apps provide a frictionless shopping experience, encouraging users to explore a brand's offerings effortlessly. From personalized recommendations to products spanning various categories, apps facilitate upselling and cross-selling during the shopping session. This intuitive navigation

encourages buyers to discover and purchase additional items, ultimately driving higher average order values.

In conclusion, AppCommerce represents a transformative approach that aligns with the evolving preferences of modern consumers. By capitalizing on its seamless experience, improved communication, elevated customer service, and heightened brand recognition, brands can tap into the full potential of mobile commerce, setting the stage for a dynamic and prosperous mCommerce future

## **Bottom Line**

If your e-commerce brand has yet to venture into the realm of mobile apps, you could be missing out on valuable growth opportunities. While a mobile-optimized website is beneficial, its reach has its limits when it comes to truly engaging consumers with your brand.

Embracing AppCommerce isn't just about following trends; it's a strategic move to align with consumer preferences and their evolving shopping habits. It's about creating a seamless shopping experience that caters to your audience's needs and desires.

Are you prepared to take a bold step toward harnessing the power of mobile shopping to propel your online business to new heights? This is your call to action to embark on the journey of launching a mobile app—a pathway that leads to enhanced customer engagement, increased conversions, and a stronger brand presence. Don't let this opportunity slip through your fingers; seize the moment and make your mark in the world of appcommerce!

#### **Contact Us**

If you're seeking a partner to guide you through the intricate landscape of e-commerce and web development, your search ends here with <a href="Webinopoly">Webinopoly</a>! Our team of skilled professionals offers a comprehensive array of services, spanning from website design and development to digital marketing and SEO. Our unwavering commitment lies in facilitating businesses to thrive within the online realm by delivering tailor-made solutions that cater to their distinct requirements. Whether you're embarking on a new venture or aiming to elevate your business's stature, our extensive knowledge and proven track record position us as the perfect ally for your journey. Why delay? Get in touch with us today to delve deeper into how we can pave the way for your accomplishments!