Marketing in an Age of Social Mobility

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Social+Mobile
Show Me the Money!
Chicago 8/21-22
Local Media Association | Borrell Associates
Local Search Association

comScore.

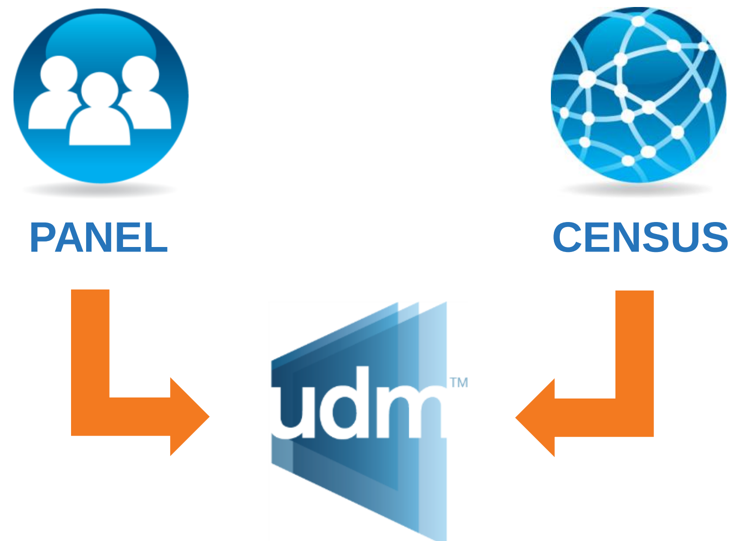
Topics for Today

- Consumers’ Path to Purchase
- Rise of the Mobile Consumer
- Social Networking and the Mobile Consumer
- Key Takeaways

Data sourced from comScore's global panel of 2 million Internet users: 360°View of Person Behavior

2 Million Person Panel

PERSON-Centric Panel with WEBSITE-Census Measurement



Unified Digital Measurement™ (UDM)

Patent-Pending Methodology

1 Million Domains Participating

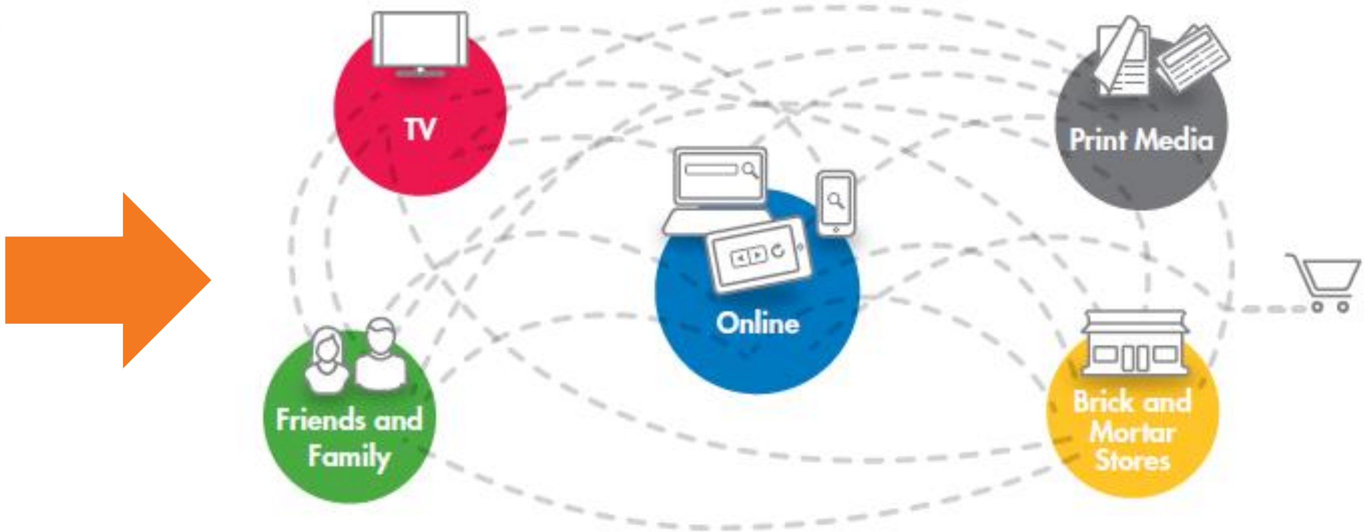
Adopted by 90% of Top 100 U.S. Media Properties

Plus 5 Million TV Set Top Boxes for 3-Screen Measurement

Consumers’ Path to Purchase

Targeting consumers using the right tools and channels

The Shopper's Multi-Channel Journey Today: Not so much a funnel, more like a flight map



Source: Google ZMOT Handbook

comScore asked consumers to rate a wide variety of shopping tools, including "traditional" tools such as newspapers and TV, as well as digital and mobile shopping tools

Shopping Tools Evaluated

"Traditional" Shopping Tools	Digital Shopping Tools	Mobile Shopping Tools
• Direct mail • Magazines • Newspapers • Radio • Recommendations from friends and family • Television	• Deal of the day sites • Digital coupons • Facebook • Online circulars • Online customer reviews/ratings • Online search engine • Printable shopping lists • Retailer or manufacturer email • Retailer website • Twitter	• Mobile brand websites • Mobile coupons • Mobile location-based services • Mobile payments • Mobile retailer websites • Mobile search • Retailer smartphone app • Scannable QR codes • Text alerts from a retailer • Use of a smartphone in a physical store

Source: comScore Survey – September 2012

Different tools for different purposes…and still an important role for traditional media

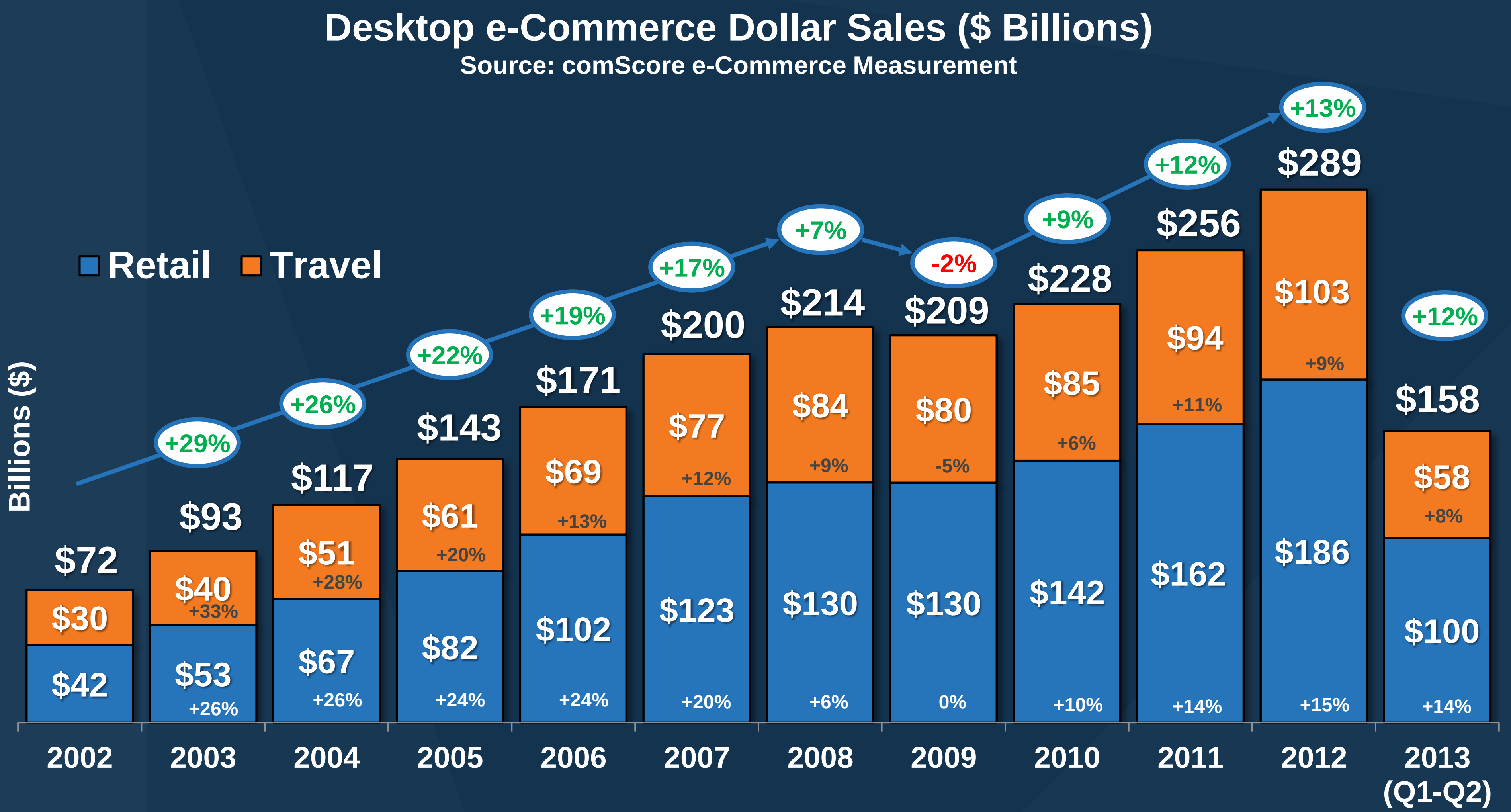
Overall Rankings for Each Tool, by Statement

(Ranking among tools, % Top-2 Box, 7-pt scale)

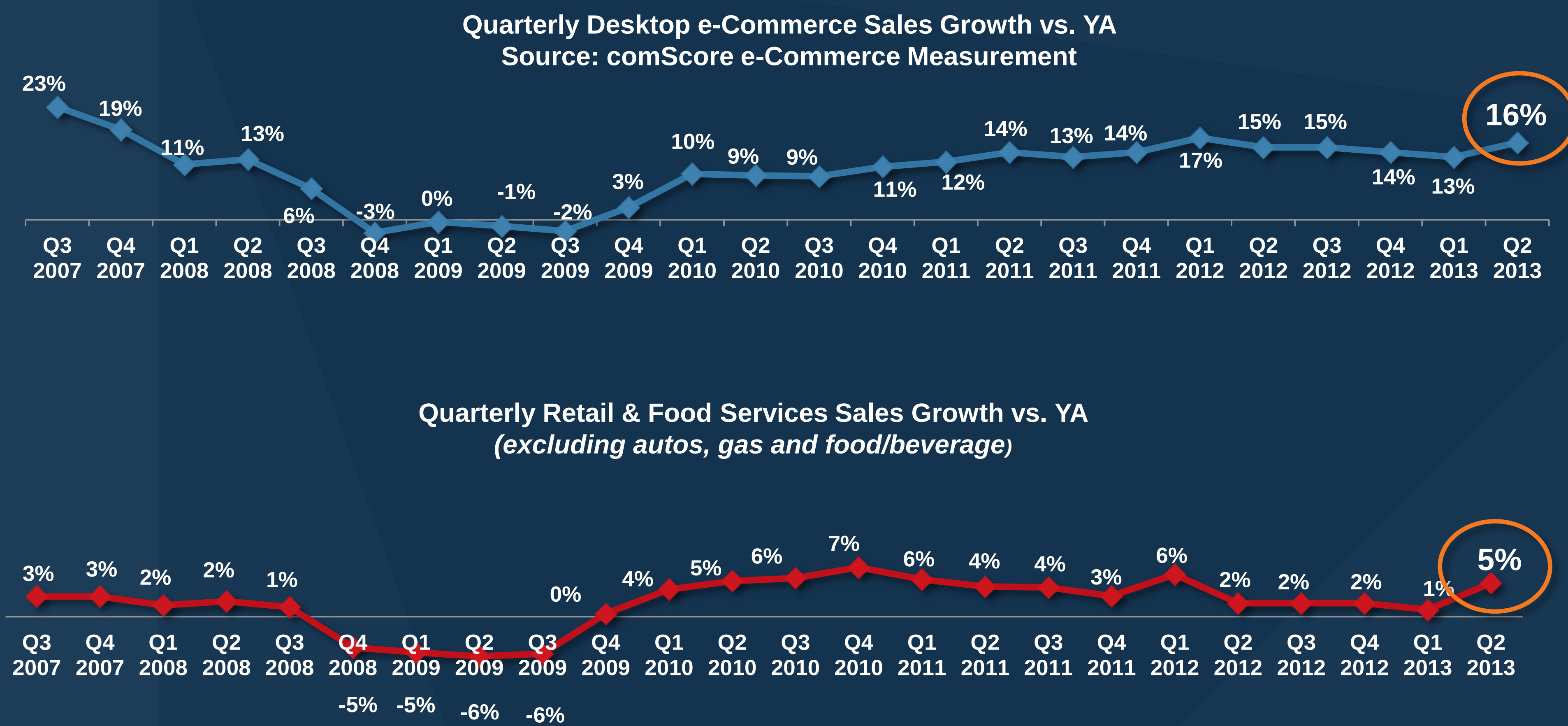
Source: comScore Survey – June 2013

	"Saves Me Money"	"Saves Me Time"	"Helps Me With New Ideas"
#1	Digital coupons	Online search engine	Online search engine
#2	Newspapers	Recommendations from friends and family	Recommendations from friends and family
#3	Online search engine	Digital coupons	Retailer website
#4	Retailer or manufacturer email	Newspapers	Online circular
#5	Retailer website	Retailer website	Newspapers
#6	Recommendations from friends and family	Printable shopping lists	Television
#7	Online circular	Direct mail	Direct mail
#8	Direct mail	Online circular	Retailer or manufacturer email
#9	Deal of the day	Retailer or manufacturer email	Digital coupons
#10	Online customer reviews/ratings	Online customer reviews/ratings	Deal of the day

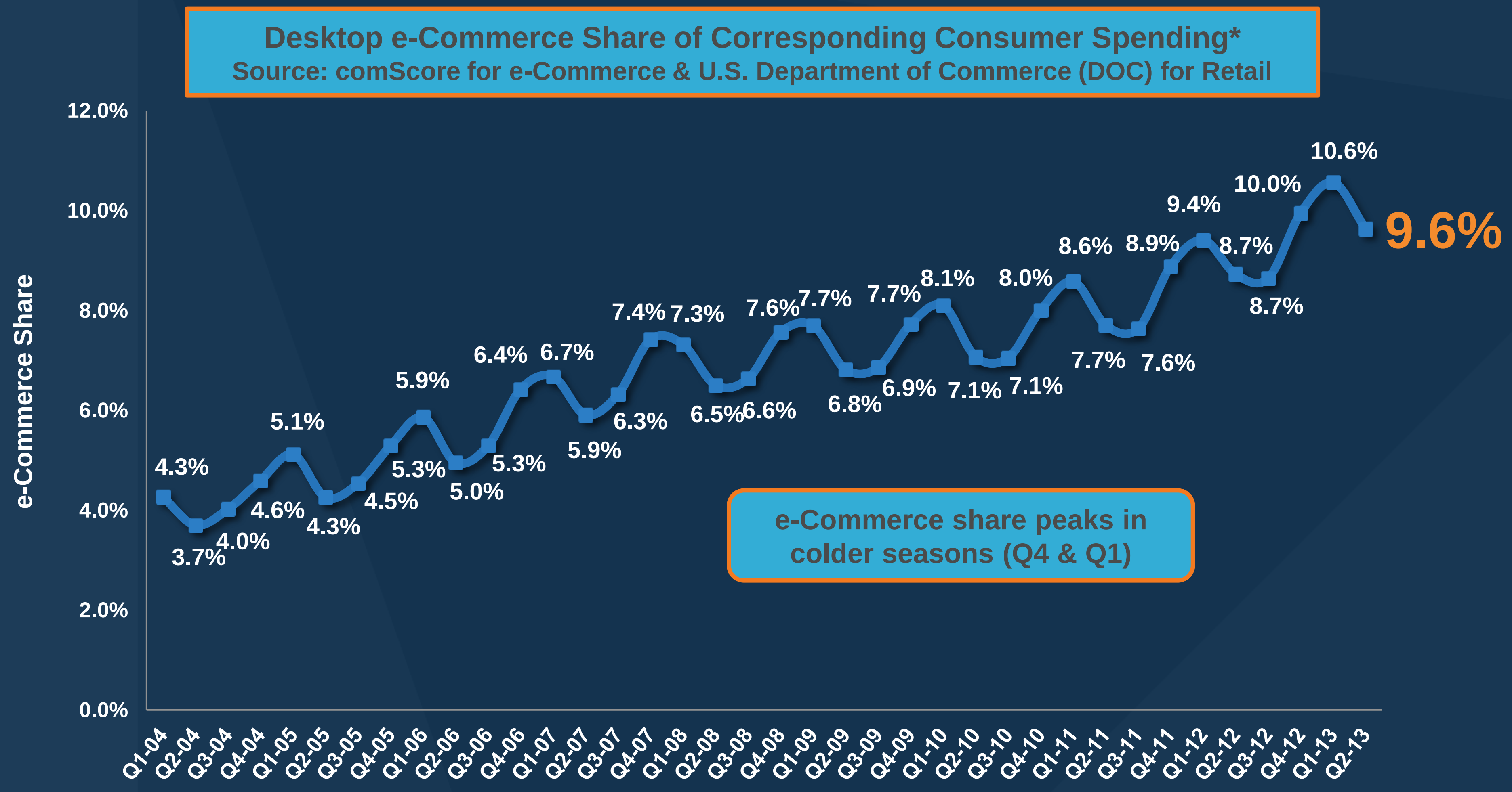
Retail e-Commerce is on pace to easily eclipse $200 billion in 2013, with $100 billion of spending through first six months of the year



The e-Commerce growth rate remains well ahead of growth in consumer s' discretionary spending



e-Commerce share of total consumer discretionary spending in Q2 2013 shows nearly a full point increase vs Y/A

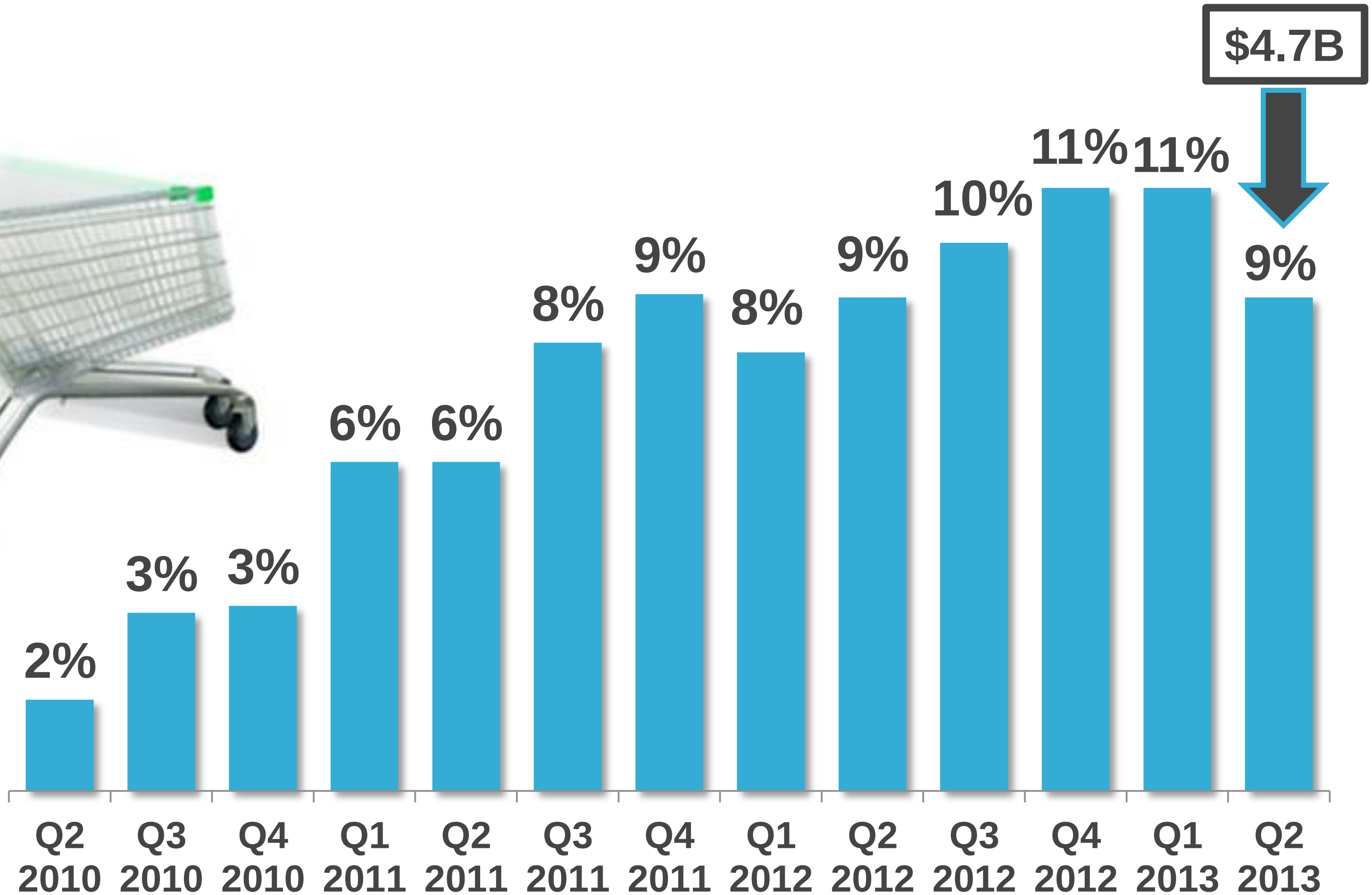


*Note: e-Commerce share is shown as a percent of DOC's Total Retail Sales excluding Food Service & Drinking, Food & Bev. Stores, Motor Vehicles & Parts, Gasoline Stations and Health & Personal Care Stores.

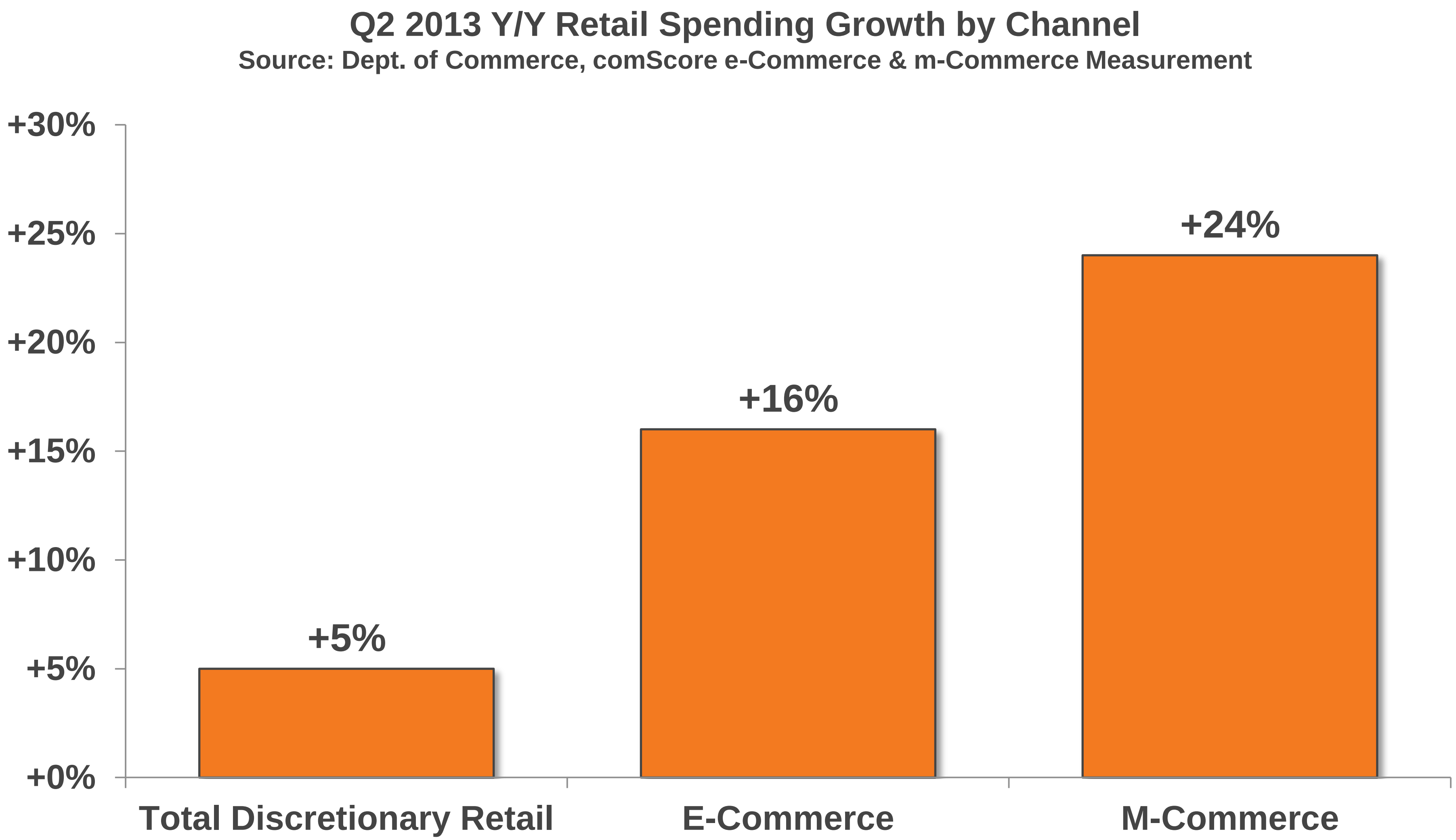
At $4.7 Billion in Q2 2013, m-Commerce accounted for 9% of all Retail e-Commerce – up vs. year ago despite sequential decline

Percentage of Retail e-Commerce Dollars Spent via Mobile (Smartphone & Tablet)

Source: comScore E-commerce & M-commerce Measurement



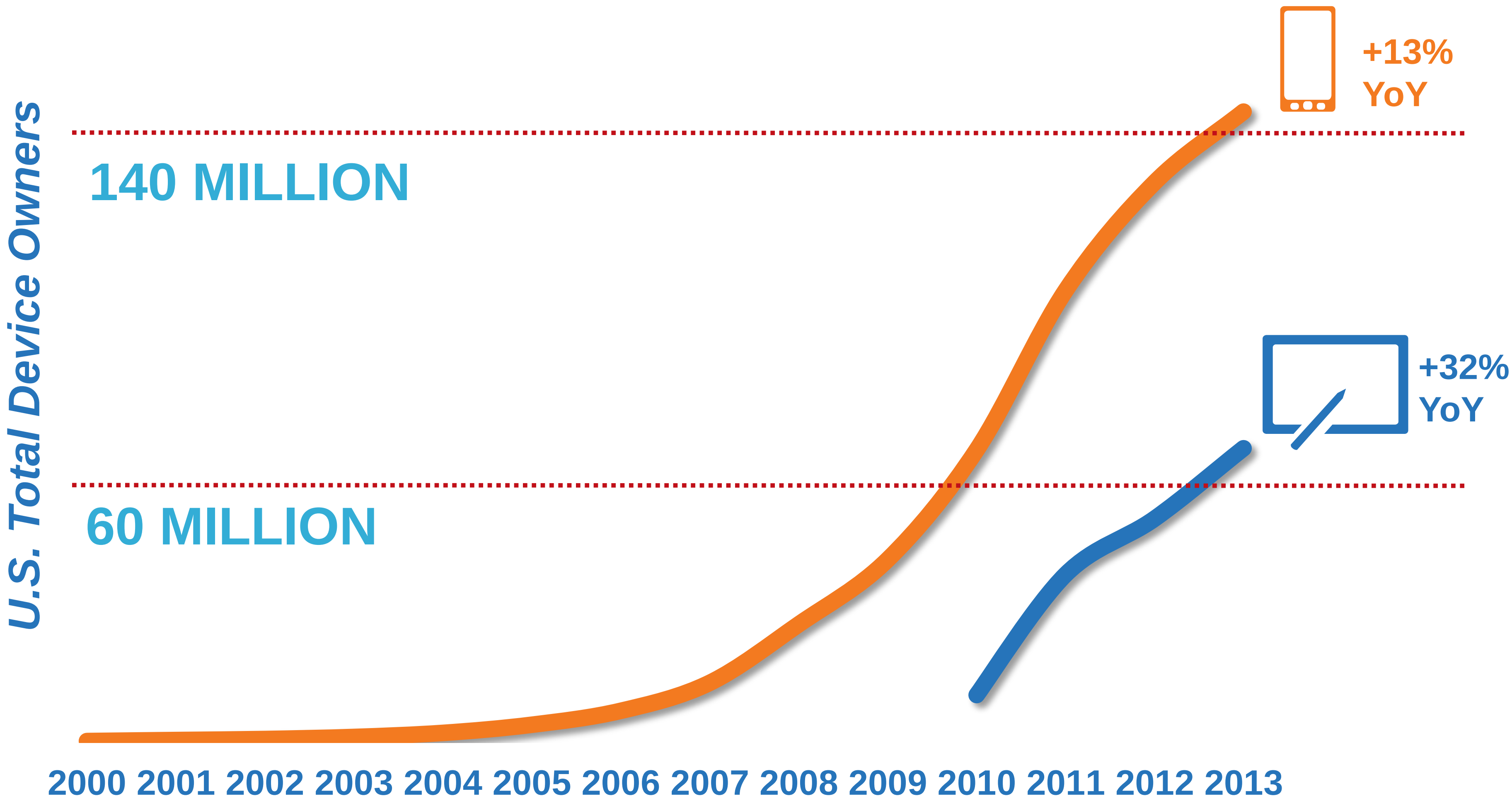
In terms of discretionary spending, m-Commerce growth is significantly outpacing e-Commerce & Bricks-and-Mortar



Rise of the Mobile Consumer

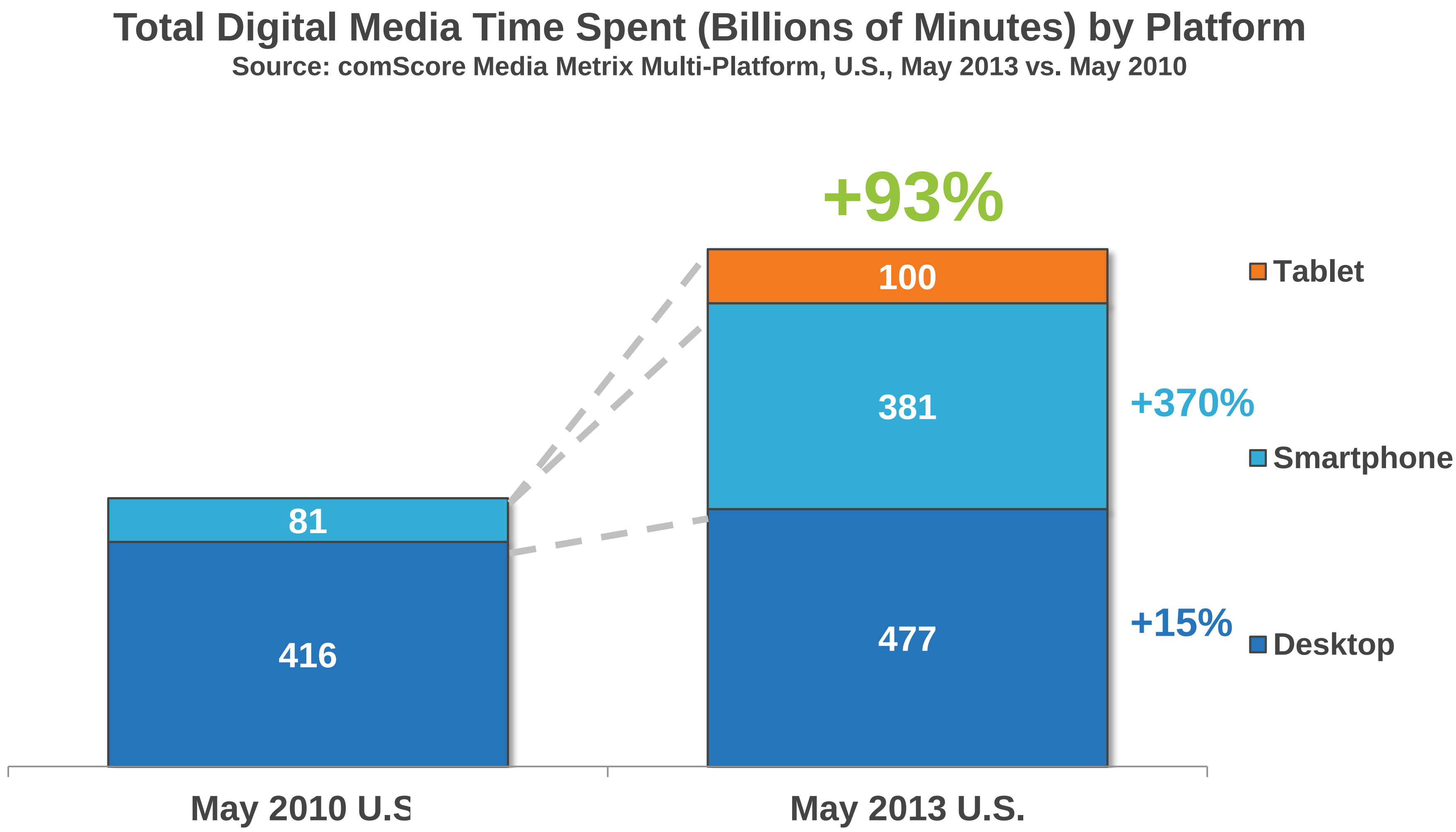
comScore

Smartphones and Tablets have ushered in the Brave New Digital World: Media Fragmentation is the New Reality

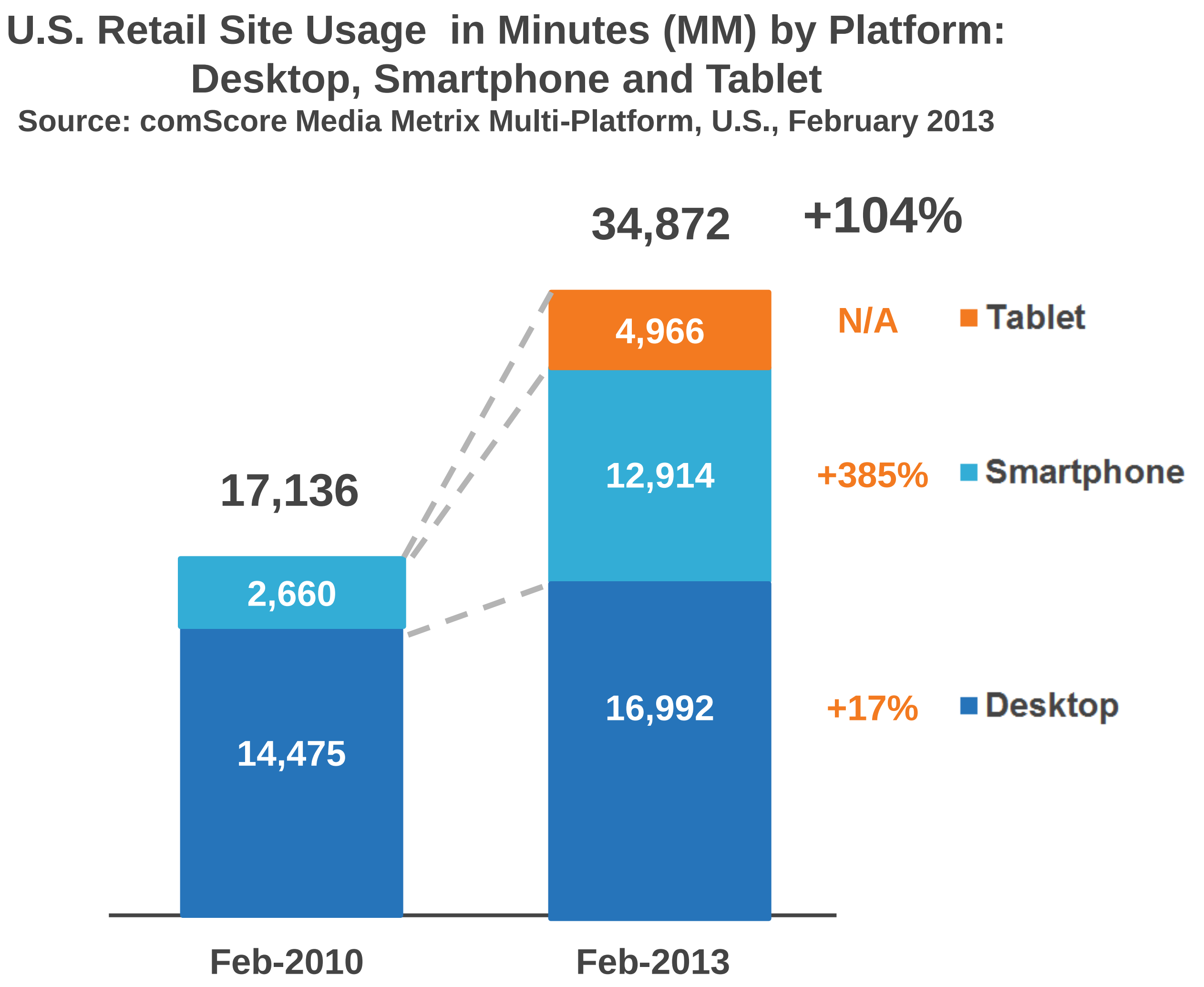


Source: comScore Device Essentials

Smartphones and Tablets have driven a doubling of time spent with digital media over past 3 years

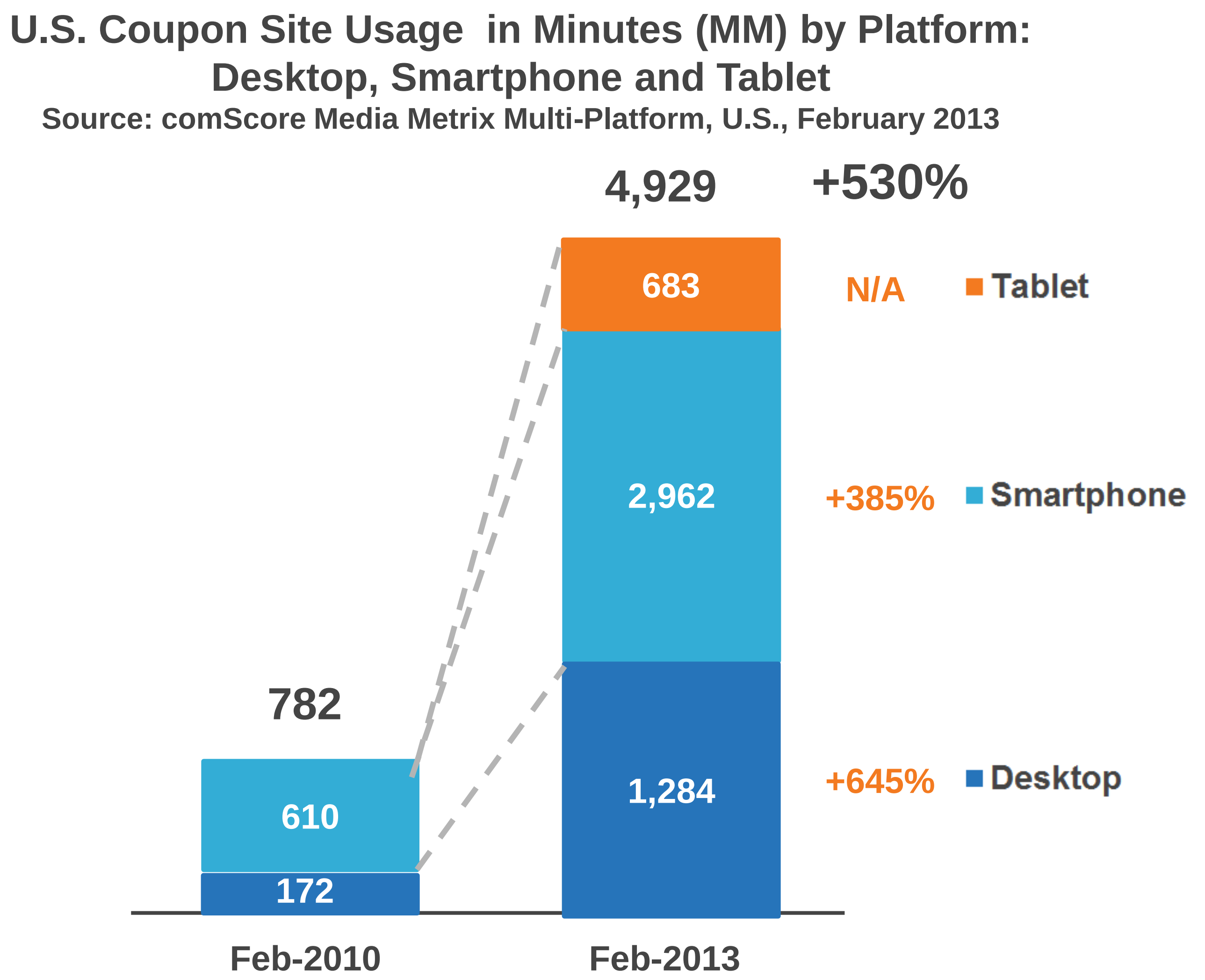


Engagement with Retail content has seen impressive growth across all platforms, including desktop



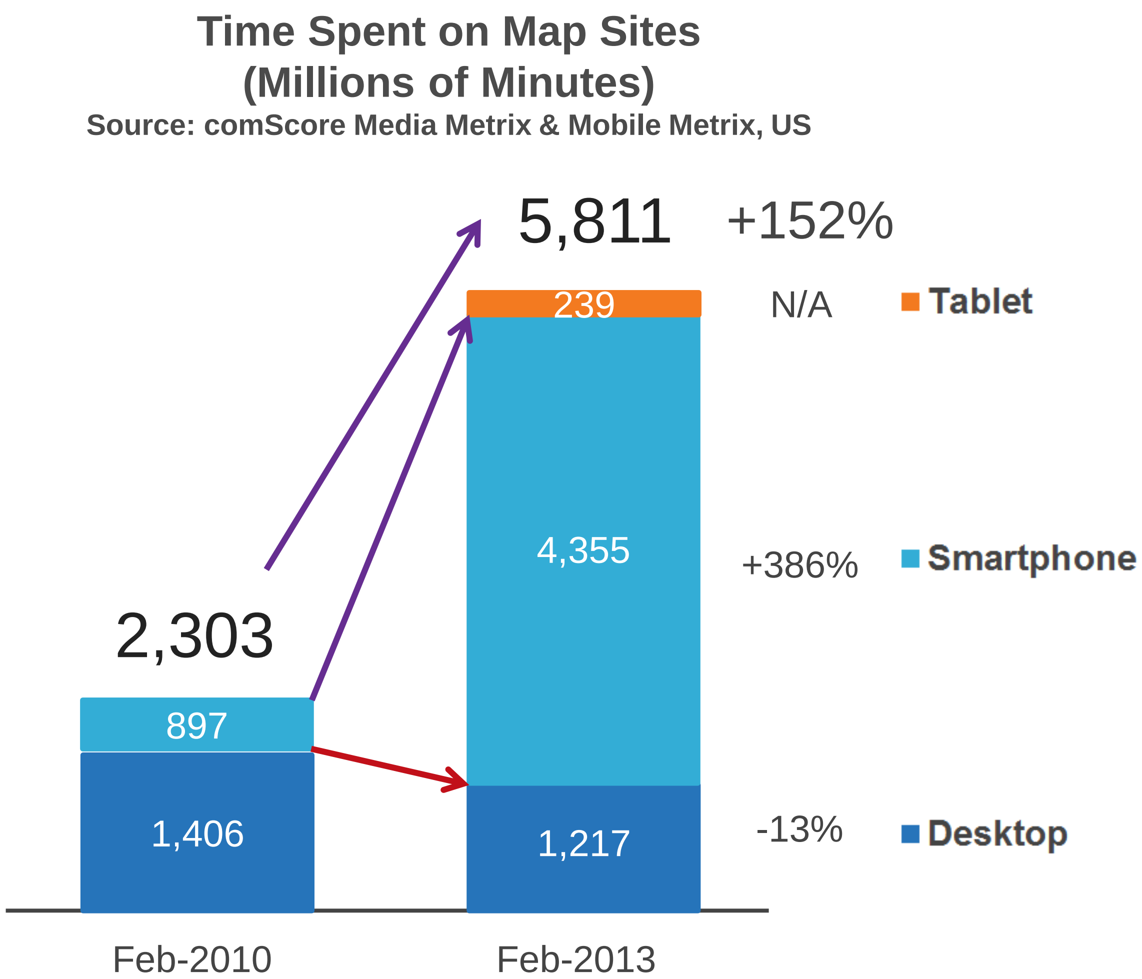
** Note: Feb-2010 Mobile is estimated based on earliest observed comScore smartphone engagement data calibrated by number of smartphone users at that time*

Engagement with Coupon sites has seen tremendous growth across all platforms, including desktop

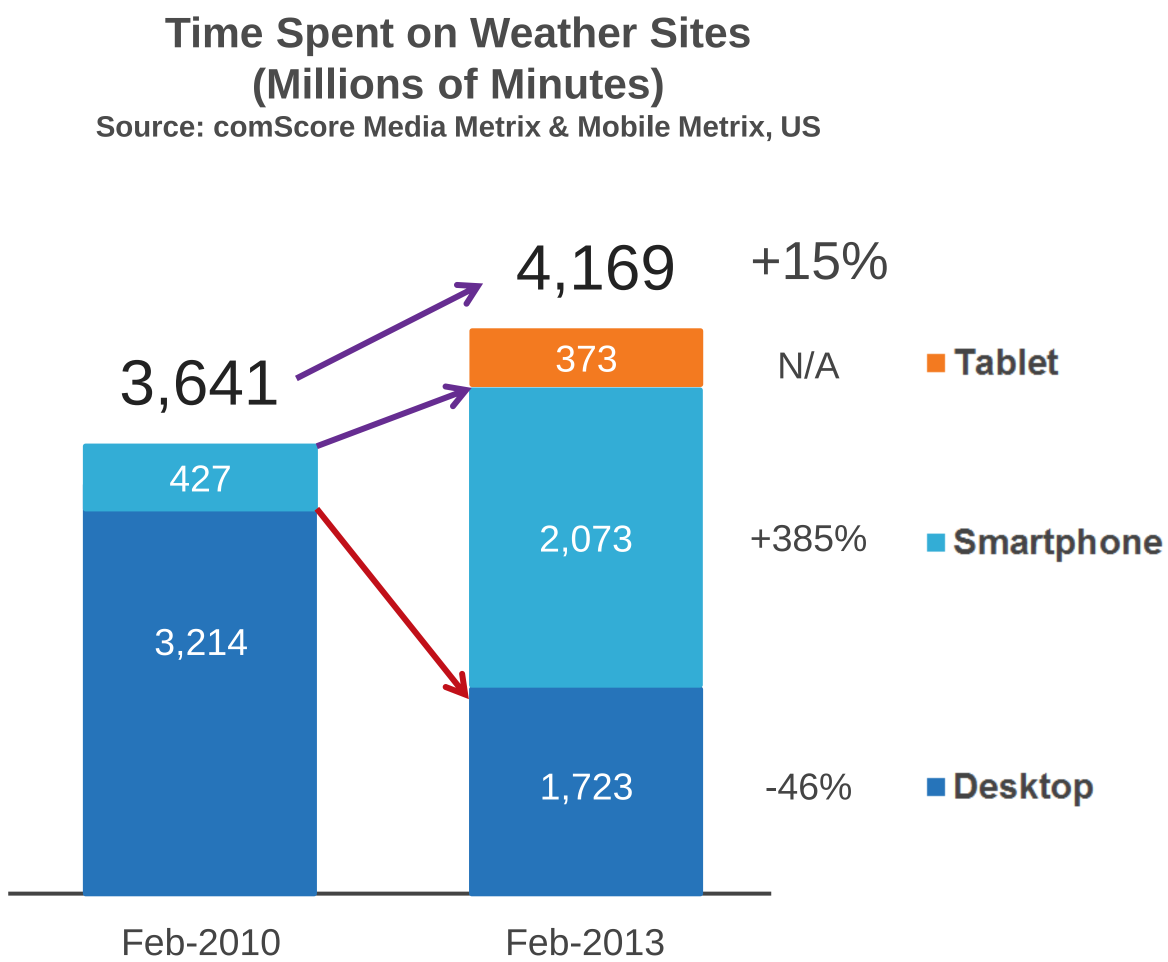


* Note: Feb-2010 Mobile is estimated based on earliest observed comScore smartphone engagement data calibrated by number of smartphone users at that time

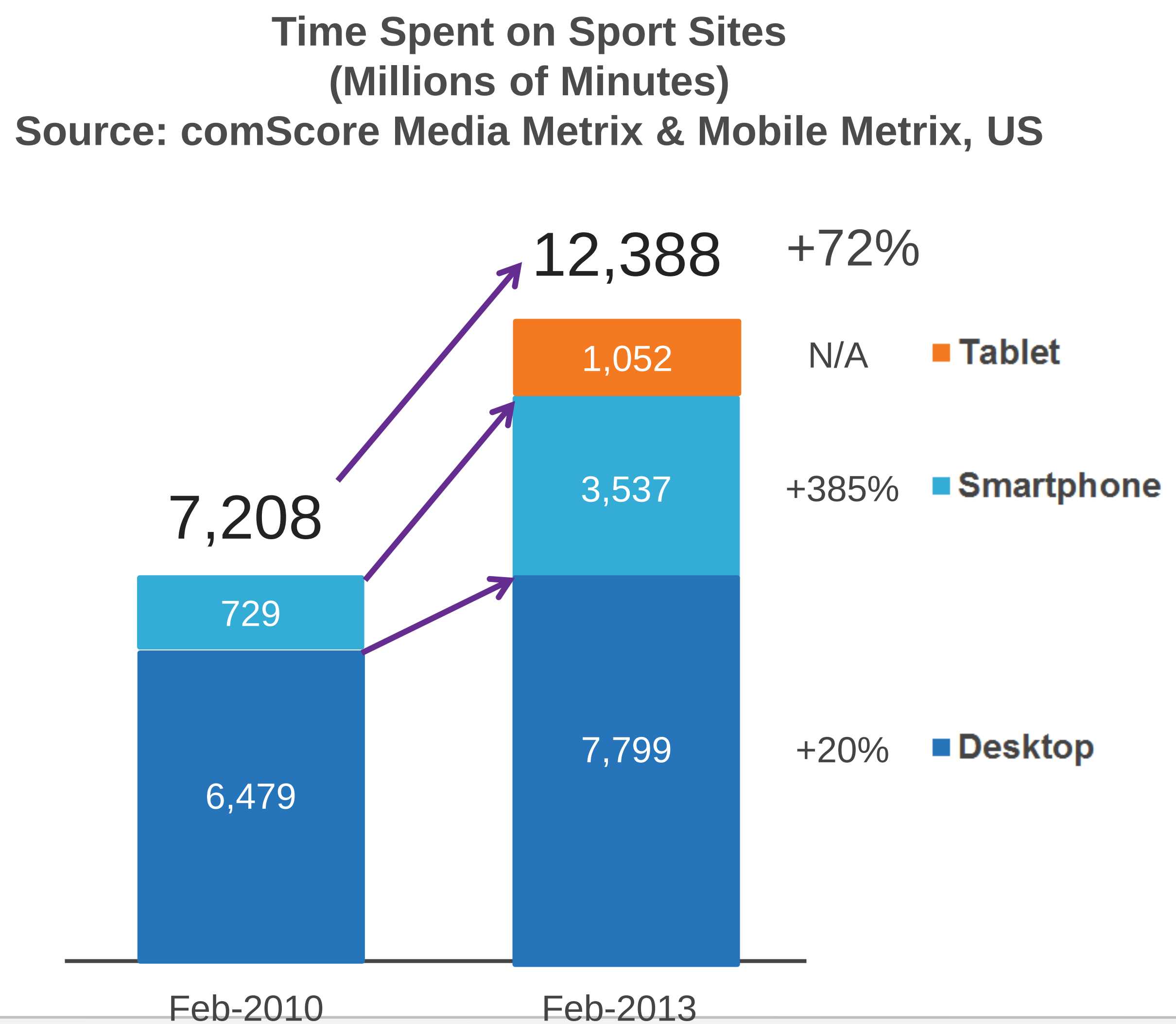
Multi-platform: Maps have benefitted massively from phone usage but desktop access has declined



Multi-platform: Desktop consumption of Weather content has declined markedly, but because of extensive phone use, overall engagement from digital platforms has increased



Multi-platform: Engagement with Sports content has seen strong growth across all platforms, including desktop



The Billion Dollar Research Lab

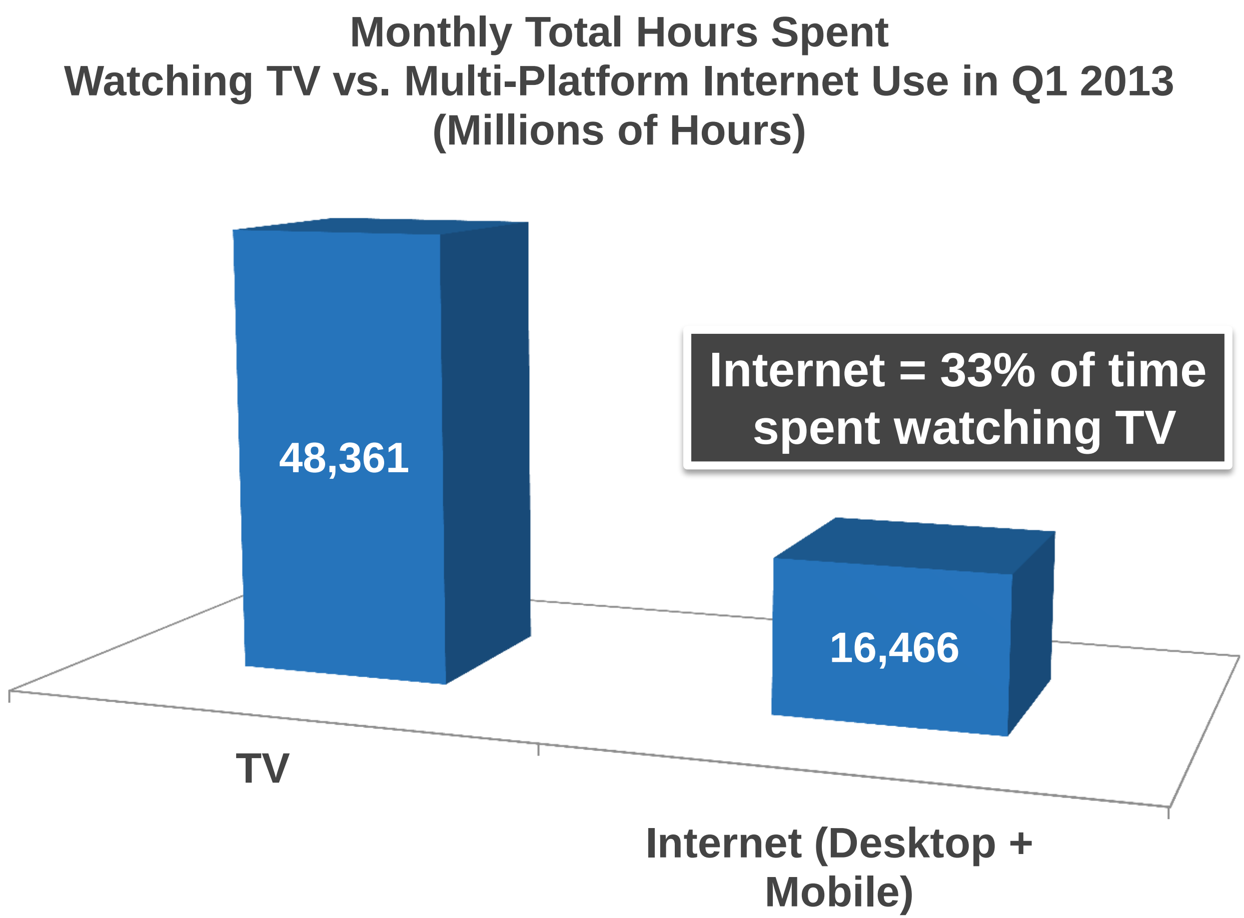
Rise of the Digital Omnivore

On behalf of NBC, comScore measured how consumers were using multiple platforms to view Olympic content

Billion Dollar Lab Headlines

- TV is Still King
- Alternative screens additive
  - Not a *"zero sum game"*
- Digital complements TV
- Social Media amplifies event and engages viewers
- Cross Platform and Simultaneous Use
  - *"The New Normal"*

Total time spent online equals one-third of time spent watching TV, suggesting need to keep media channels & ad spend in perspective



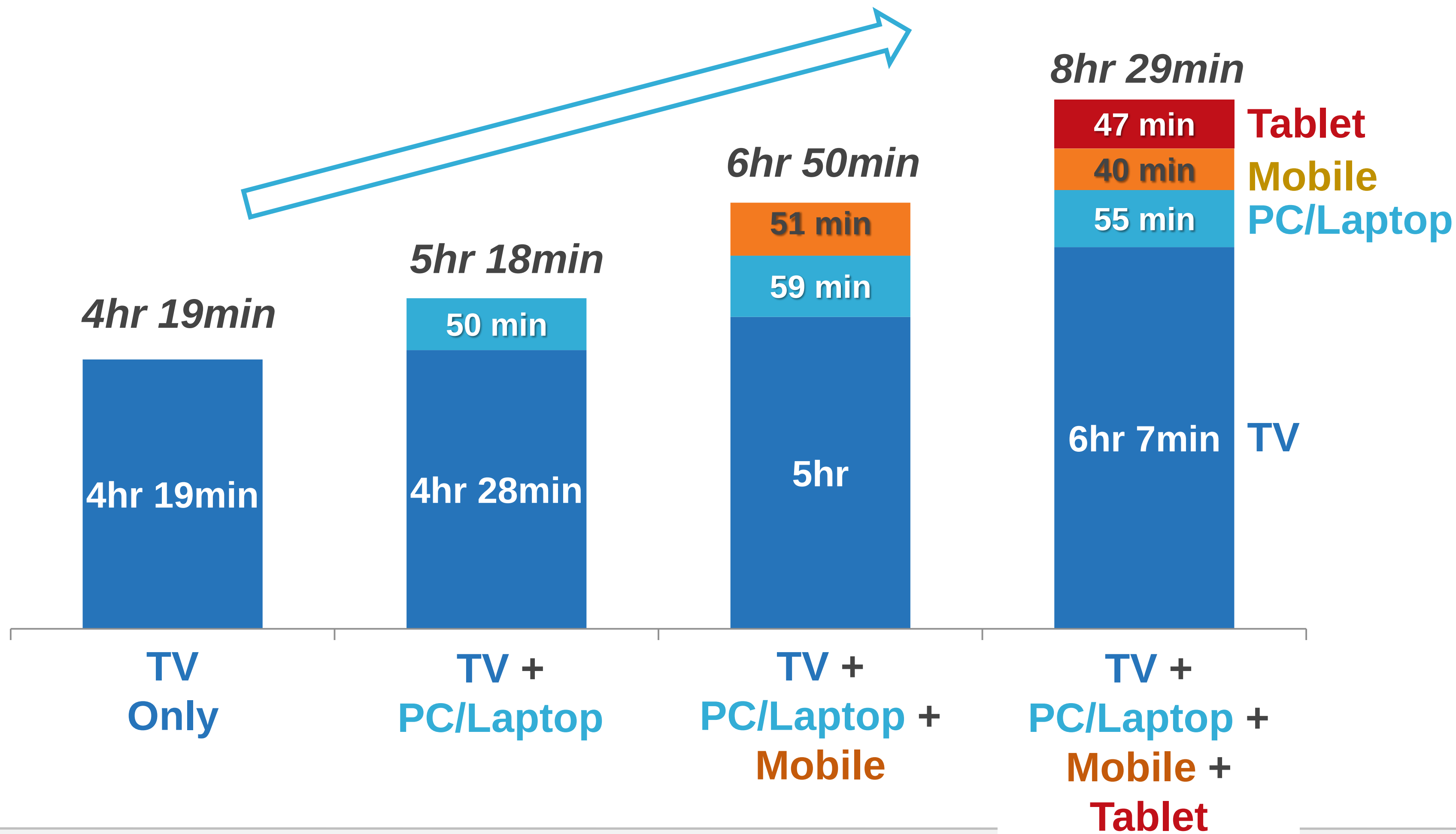
Note: ***TV includes Live and Timeshifted viewing.***
Internet includes Desktop, Smartphone and Tablet consumption.

SOURCE TV: Nielsen Cross Platform Report, US, Q1 2013

SOURCE Internet: comScore Media Metrix Multi-Platform, US, Q1 2013

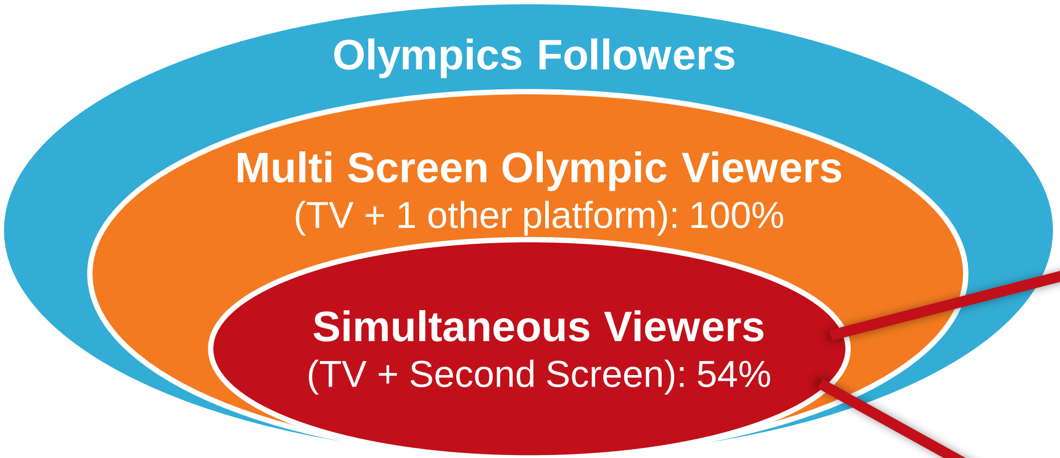
More Screens = More Time Spent on Every Device

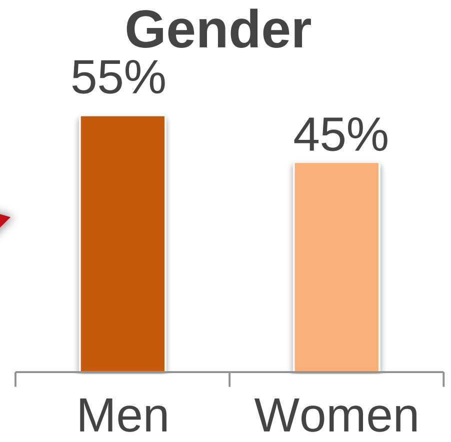
Average Time Spent Per Day Following Olympics



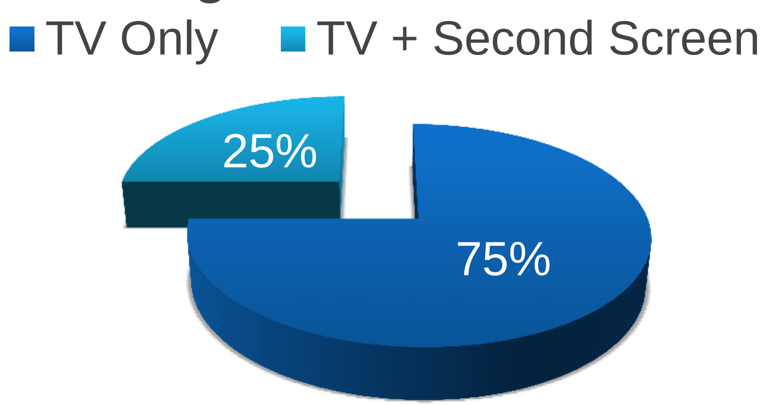
Source: comScore Single Source Multi-Platform Study. A18+. 7/27/12 – 8/12/12. Total Day. Screen Status Definitions: TV+PC Only = Followed the Olympics on TV and PC but not on Mobile or Tablet, TV+PC+Mobile = Followed the Olympics on TV, PC and Mobile but not on Tablet, TV+PC+Mobile+Tablet = Followed the Olympics on all 4 screens.

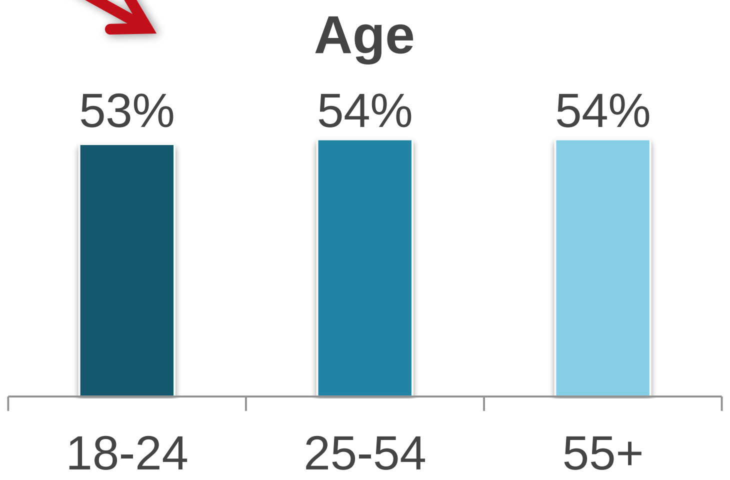
Multi-platform: Simultaneous viewing





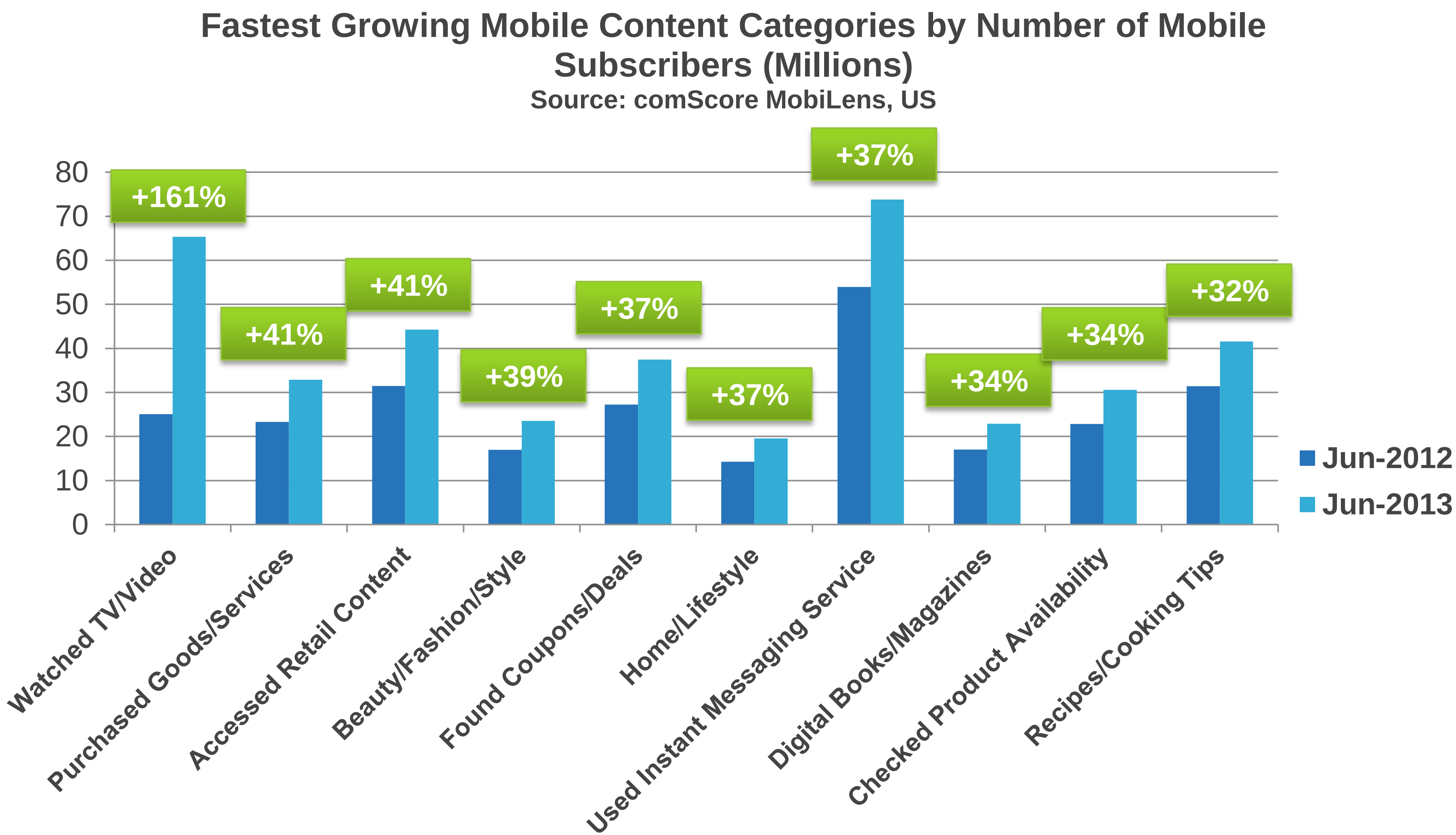
Device Usage Time When Watching TV





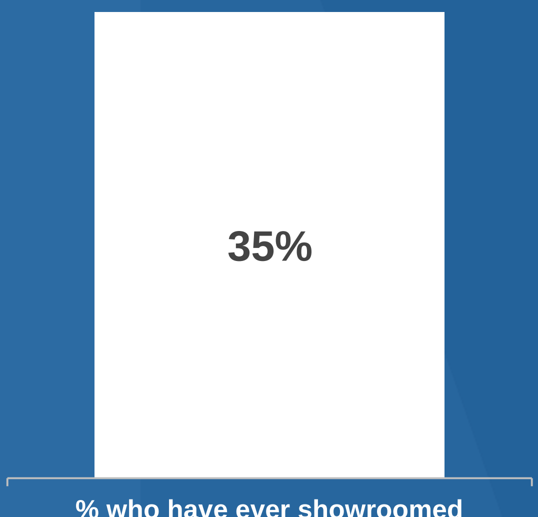
- Source: comScore Single Source Multi-Platform Study

Watching TV/Video continues to be the fastest growing mobile content category, increasing 161% in the past year



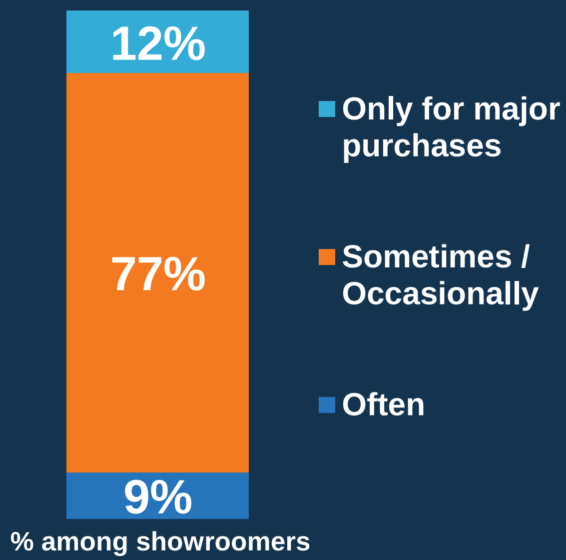
Despite increased adoption of showrooming due to mobile devices, it is not yet an every-day activity for consumers

More than 1 in 3 online consumers have showroomed…



Q. Based on this definition, have you ever done this activity? (seen an item in-store but instead purchased online)

However, among these consumers, most only showroom 'sometimes' or 'occasionally'



Q. When thinking of your online shopping and the previous questions, which statement best describes when you use showrooming?

Among smartphone owners, <u>40% have used their phone for showrooming</u>

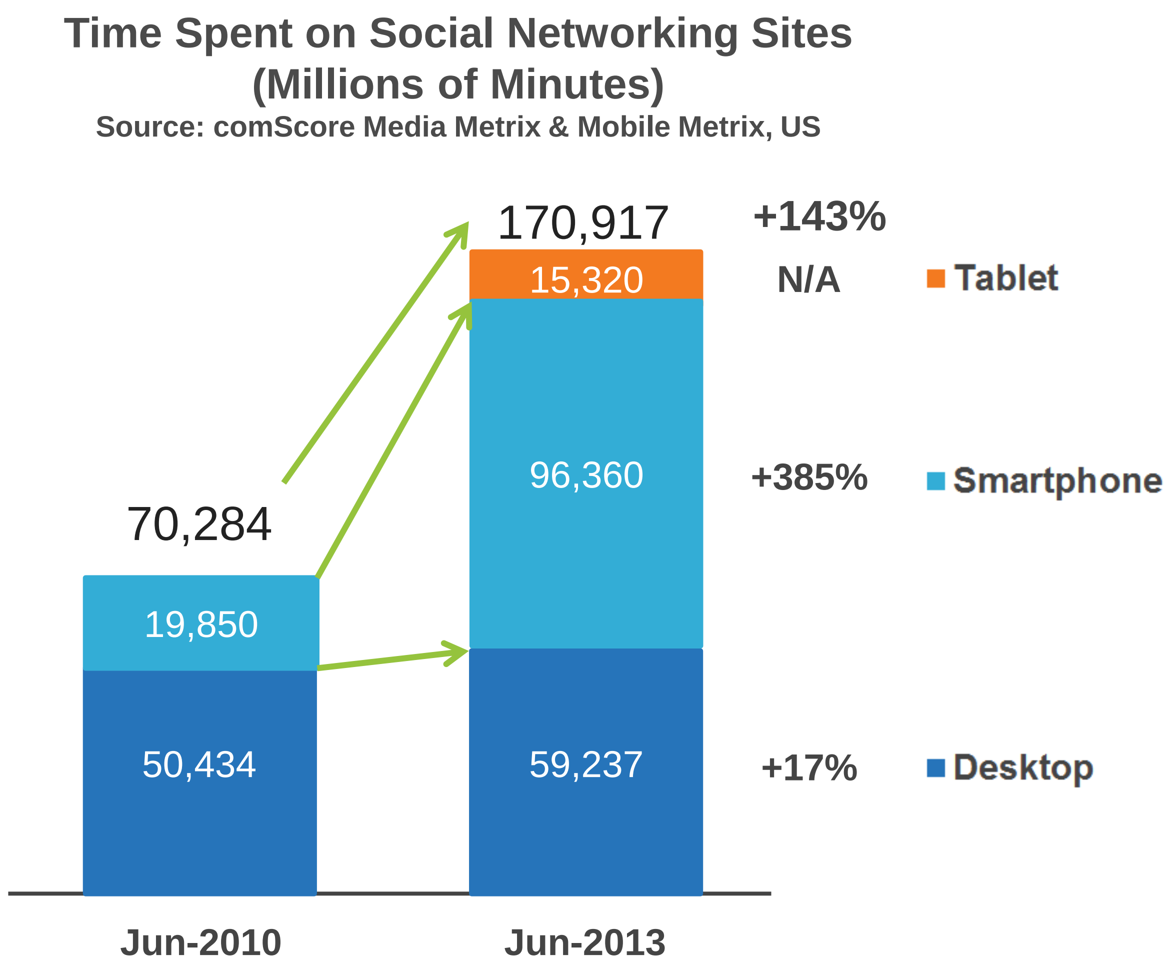
Unsurprisingly, most owners use their smartphone during showrooming to <u>search for better prices</u> (53% of smartphone owners)

Q. For which of the following do you regularly use your mobile device while showrooming? - Searching for better prices

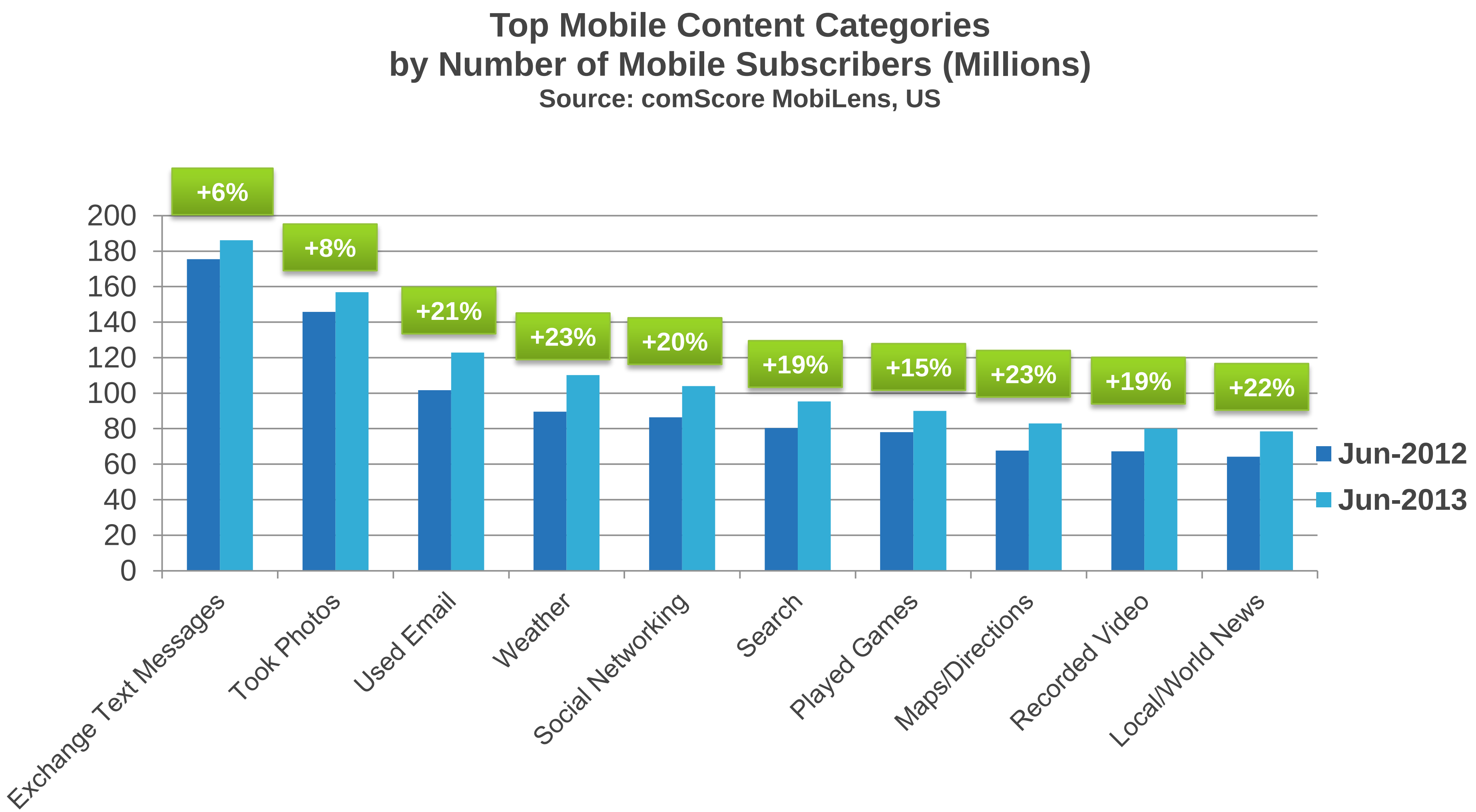
Source: comScore Survey – July 2013

Social Networking and the Mobile Consumer

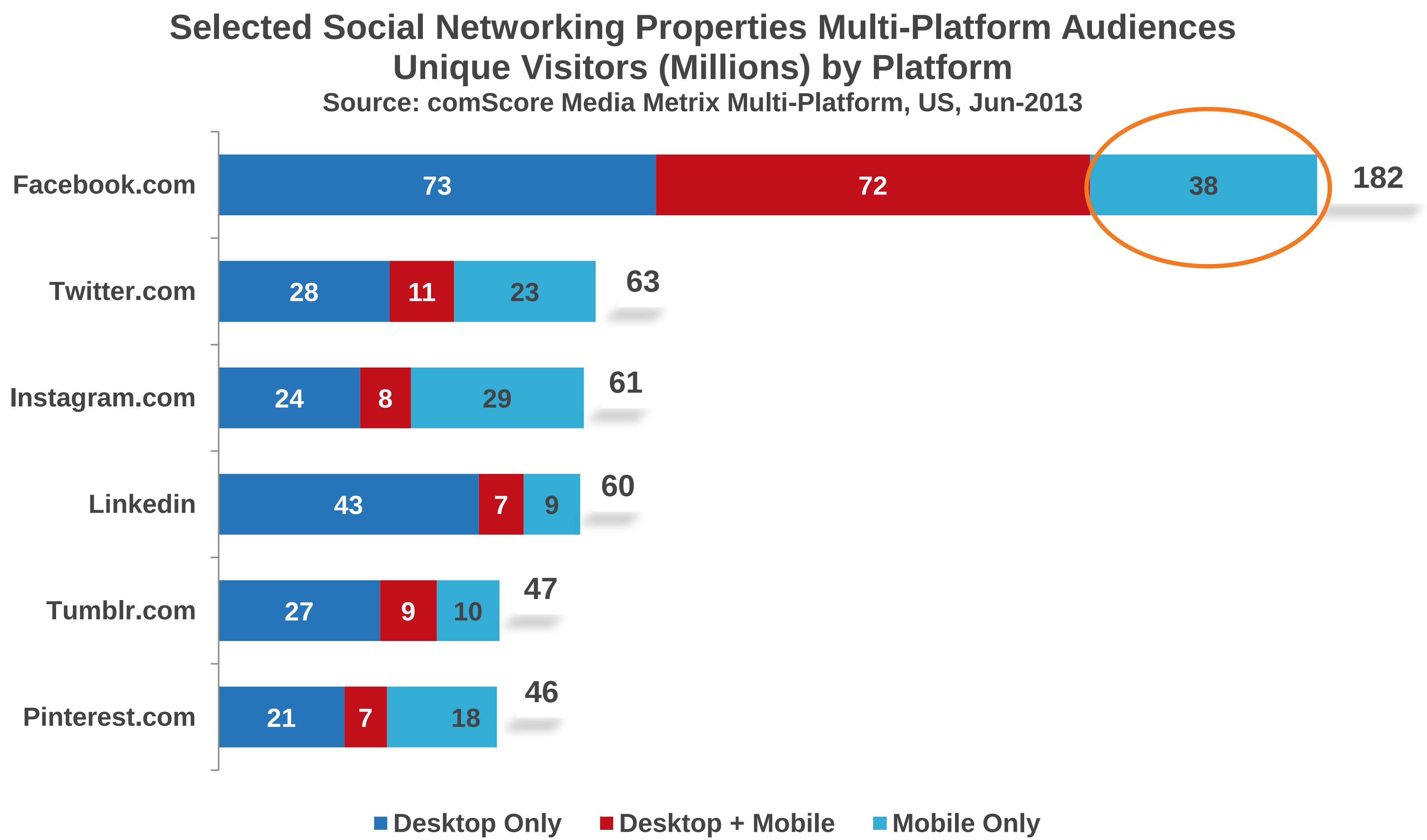
Desktop consumption of Social Networking content has increased, but because of extensive phone use, overall engagement from digital platforms has exploded by 143%



Social Networking is the sixth most popular mobile activity



Some social networking properties extend their audience reach significantly through mobile channels. For many properties, nearly half of their visitors use mobile, while mobile-only access in a month averages 33%



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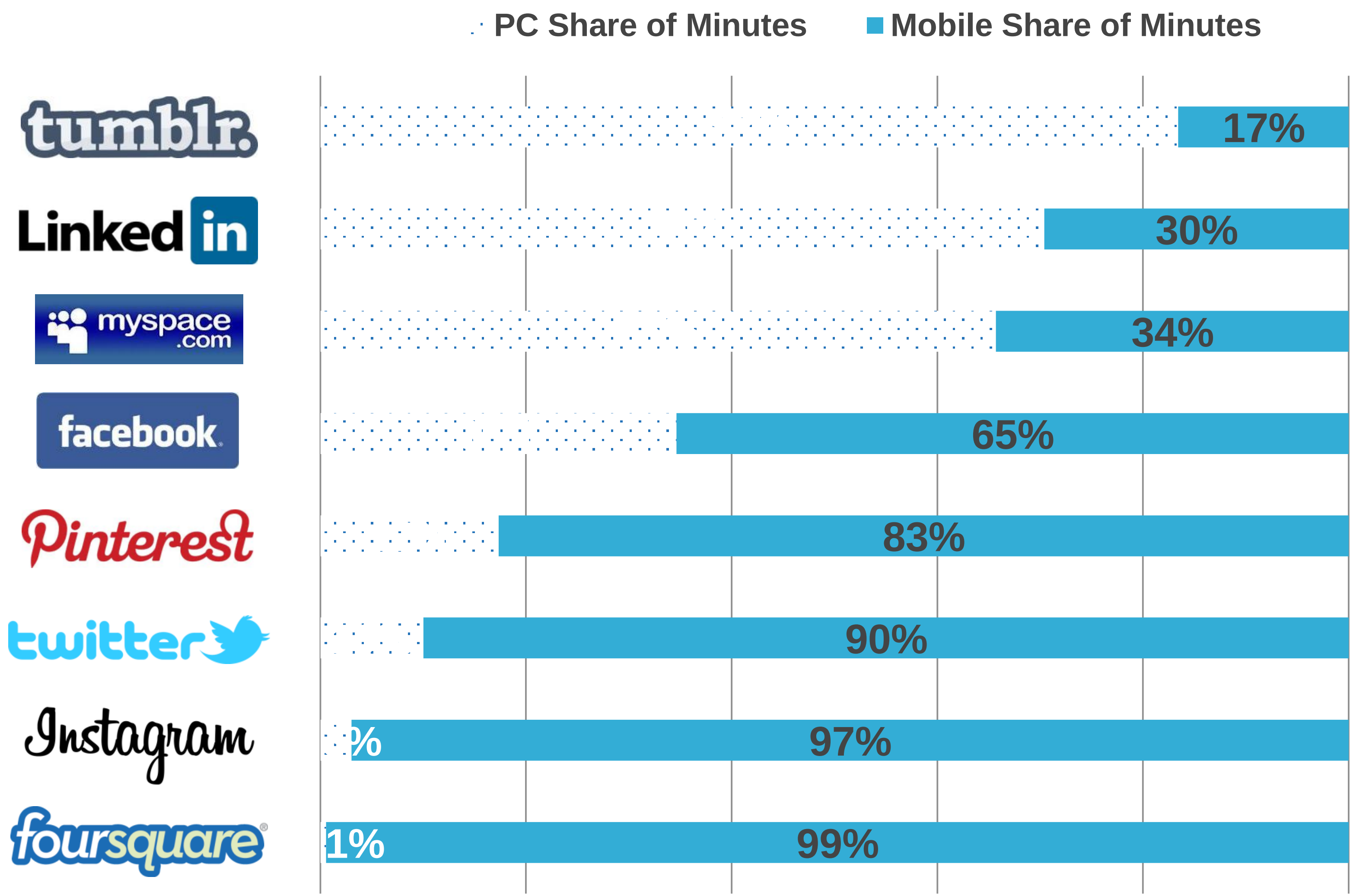
Mobile devices are a key access platform for many social sites, representing two-thirds of time on Facebook and nearly all of time spent on Instagram and Foursquare



Source: comScore Media Metrix Multi-Platform, US, Jun-2013

The Issue with Fan Page Measurement: Fans Don't Return to Fan Page

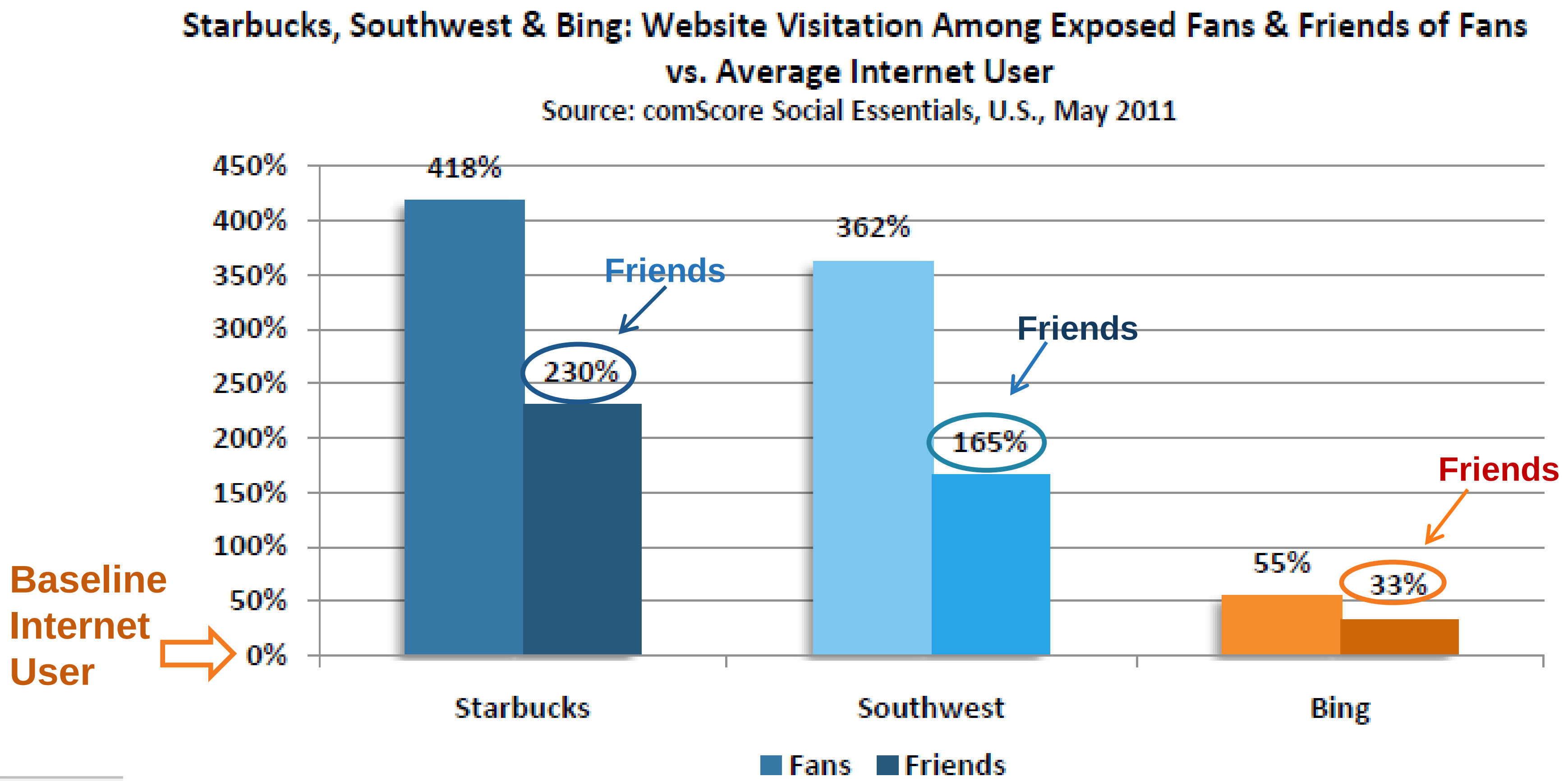
Ratio of News Feed Exposures to Fan Page Views

Southwest Airlines	42 to 1
bing	45 to 1
Starbucks Coffee	156 to 1

comScore

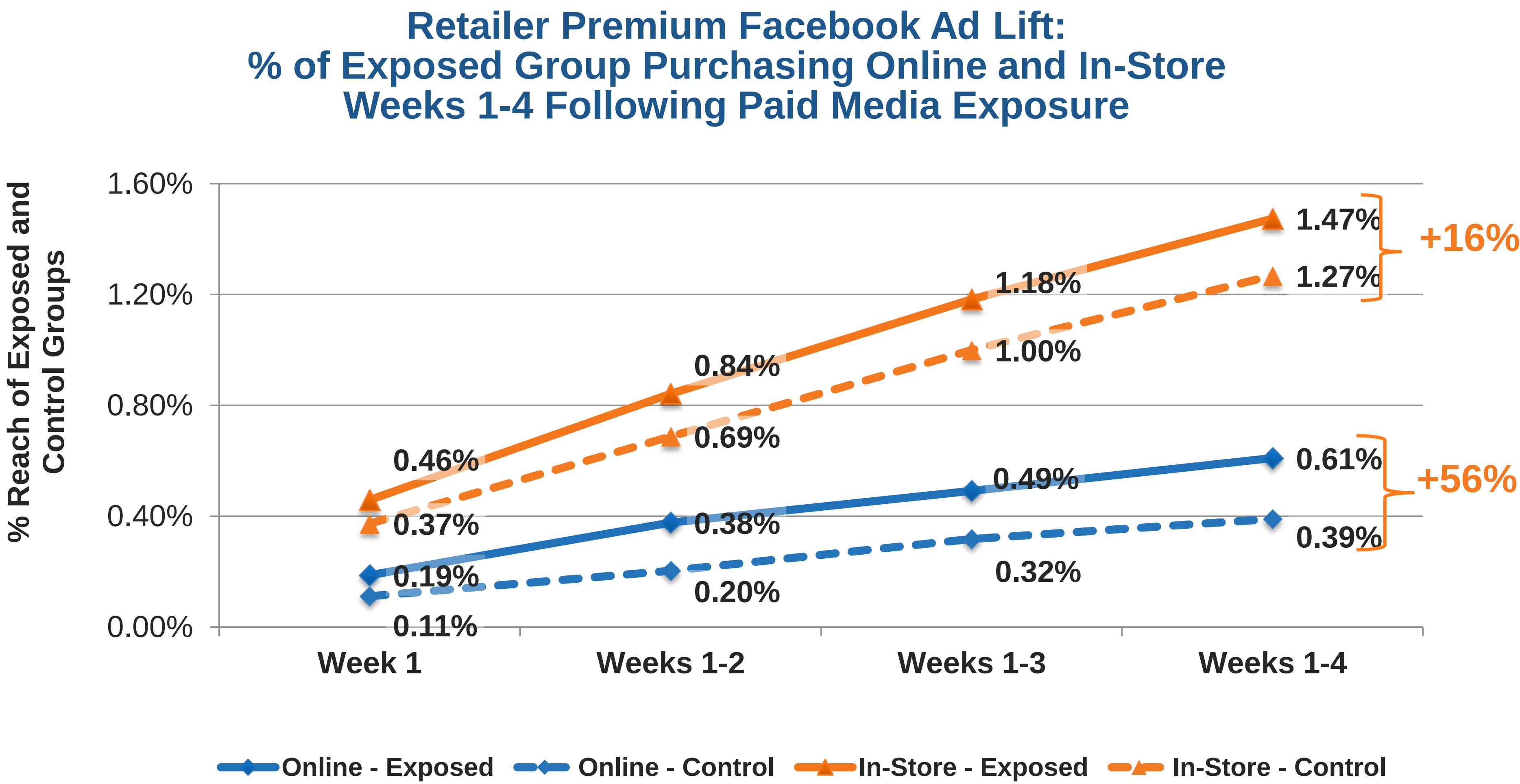
Fans and Friends of Fans exposed to earned brand impressions on Facebook exhibit higher brand engagement, e.g. site visitation, than the average Internet user

Why do friends of fans have a higher orientation toward the brand?
1. **Birds of a feather flock together**
2. **Trusted persuasion**



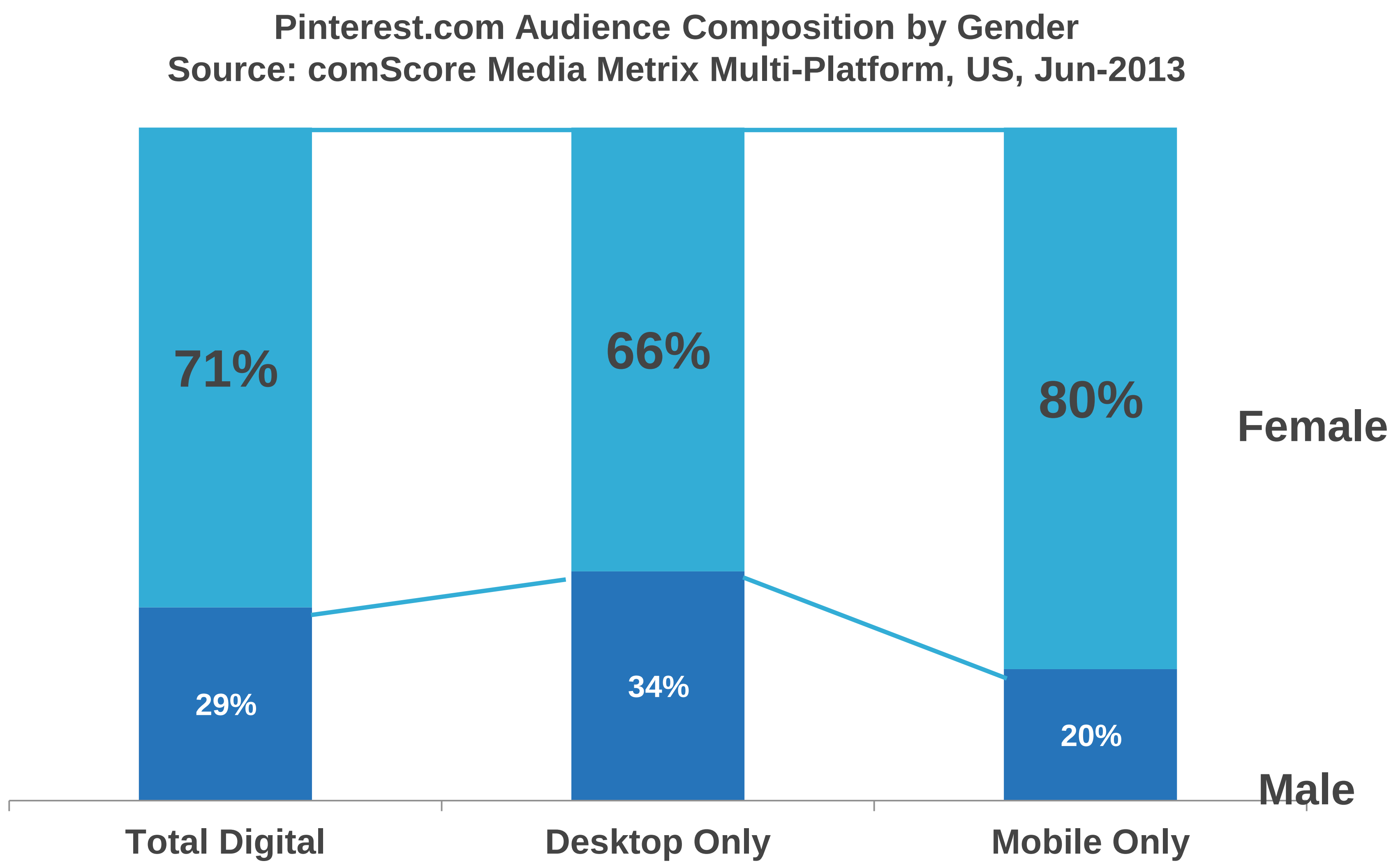
Source: comScore Social Esessentials May2011

Paid Media Lift: Evidence that Facebook paid ad campaigns can drive lifts in purchasing – both online and in-store



Source: comScore AdEffx Action Lift, U.S., Sept-Dec 2011

The vast majority of Pinterest users are women, making it an ideal site for merchants in the apparel, home furnishings and food markets



Key Takeaways

- ❑ While the consumer's path to purchase has been disrupted by digital technology, there is still a prominent role for traditional media.
- ❑ Mobile devices have exploded onto the scene but have not yet been integrated into consumers' path to purchase in the same manner as traditional and other digital media.
- ❑ **But it's just a matter of time!**
- ❑ E-Commerce growing 3X faster than all consumer spending and now accounts for $1 in every $10 of consumers' discretionary spending.
- ❑ Social networks have become mainstream and offer a myriad ways for marketers to reach consumers.
- ❑ Mobile devices now account for a substantial portion of the time spent on social networking sites.
- ❑ Advertising on Facebook has been proven to lift consumer buying
- ❑ Keep a close eye on Pinterest!

Thank You!

For more information about comScore:

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