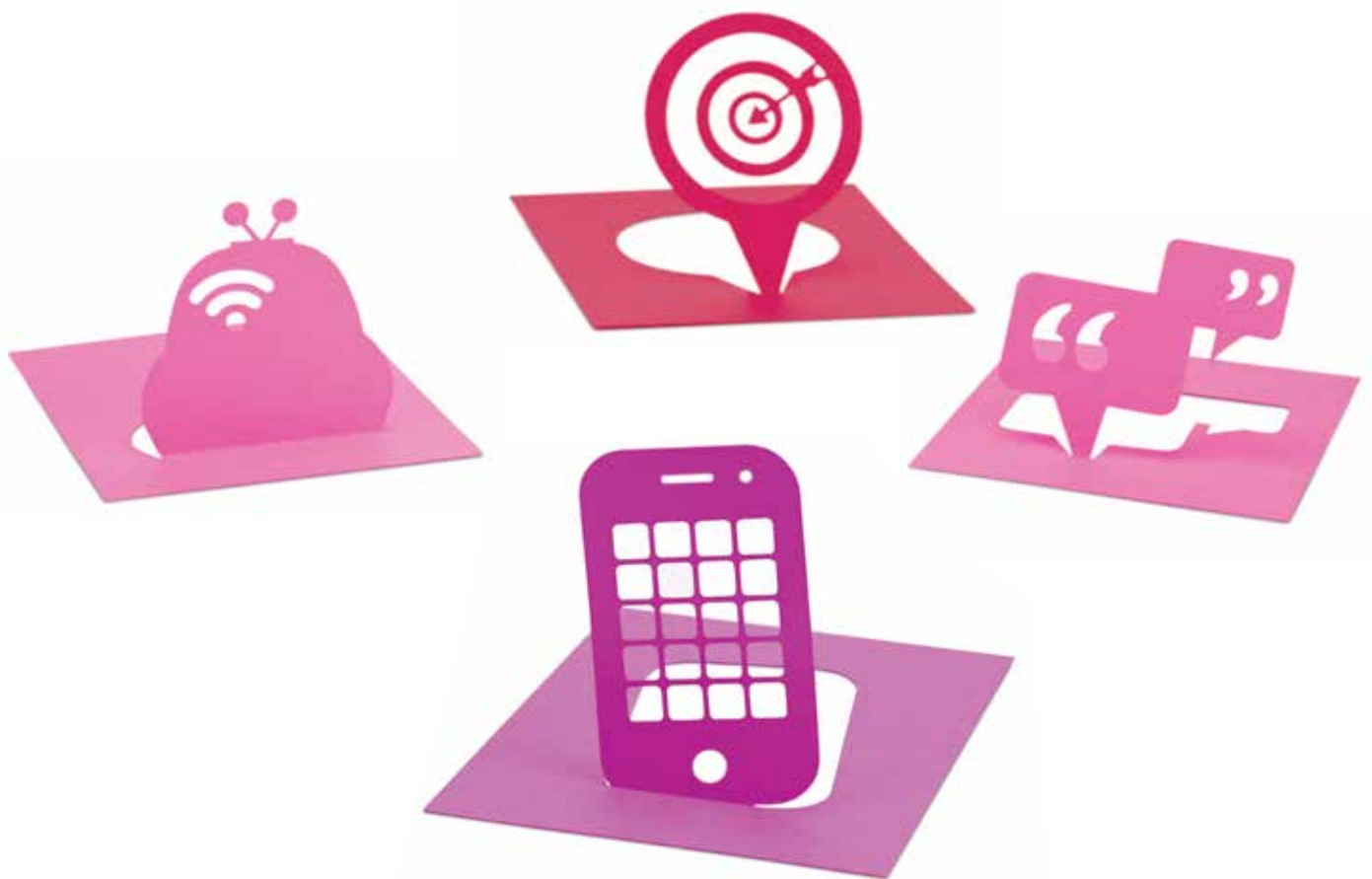


The Deloitte Consumer Review

Beyond the hype: The true potential of mobile



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About this research

The research featured in the Deloitte Consumer Review is based on a consumer survey carried out by independent market research agency, TNS, on our behalf. This survey was conducted online with a nationally representative sample of over 1,000 UK adults aged 16 – 64 between 17-19 May 2013.

Foreword

Welcome to the fifth edition of the **Deloitte Consumer Review**.

The emergence of the mobile consumer is proving to be the biggest disruption to business activities since the rise of the Internet.

Smartphone ownership in the UK has reached critical mass and is close to overtaking the combined penetration of PCs and laptops. This is no surprise given the convenience smartphones offer. Consumers have been quick to embrace smartphones as their digital device of choice, allowing them to answer questions or complete tasks instantly while on the move.

In this edition, we discuss how mobile is transforming the way businesses serve their consumers and why it is critical for them to develop a robust mobile strategy. Businesses need to adapt to the way consumers are using their smartphone to shop for products and services or simply to interact with brands.

Businesses that can anticipate consumer expectations and develop mobile solutions will be best placed to enrich the consumer's experience and improve engagement as a result.

We hope this report gives you the insight and data you need to enhance your understanding of consumers, and we welcome your feedback.



Nigel Wixcey

Lead Partner, Consumer Business
Deloitte LLP

Executive summary

A mobile-centric world is rapidly becoming a reality.

This is the result of the exponential growth observed in smartphone ownership since the launch of the Apple iPhone in 2007. According to Deloitte UK research, 72 per cent of UK consumers aged 16 to 64 have a smartphone device compared to 58 per cent only ten months ago.¹

Moreover, the combination of convenience and instant access to relevant content means consumers' dependency on their mobile devices to manage their daily lives has increased dramatically. Deloitte research shows that one-in-three first reach for their phone when they look for information. This is the result of the convergence of powerful technology, improved connectivity, data analytics, and innovative and more intuitive user solutions.

Thus it is critical for businesses to focus their efforts where real growth exists when deciding how to develop their mobile capabilities. This means designing a mobile strategy with the consumer at its core. While mobile is at the heart of a seamless ecosystem, it does not work in isolation. Mobile is merely an enabler – albeit a powerful one – merging offline and online. Our research shows that 41 per cent of UK consumers start research on one of their devices, often a smartphone, but complete their activity on another. This demonstrates how fragmented the digital world still is.

As a result, the number of consumer touch points is increasing. The challenge for businesses is developing capabilities that integrate all their channels and tailors the offer to individual needs and circumstances.

In addition, the convergence of greater convenience, through mobile enabled services, analytics that allow personalisation of content, and the ability to pay using a mobile phone, requires businesses to rethink the traditional consumer funnel.

Businesses need to address typical consumer activities such as fulfilling a shopping mission or receiving after sales service, through a seamless system whether the consumer uses an app, a social media site or the physical store. This system needs to be relevant for the consumer at each step of the process by recognising who the consumer is, what his consumption patterns are, his location and his preferences.

Consumer-facing businesses need to adapt their operating models to ensure they:

- develop mobile commerce capabilities through a mobile site or an app
- put mobile in a predominant position in their advertising strategy
- explore the possibilities of embedding a mobile payment solution.

To compete, businesses not only need to develop the technologies to deliver and execute their existing propositions through mobile devices, they also need to use smartphone functionalities to innovate and enhance the consumer experience.

The right mobile strategy will help improve key aspects of business development including:

Branding – mobile is increasingly becoming the first touch point with a brand. It is therefore critical for marketers to design their mobile platforms, icons, apps or mobile sites to foster consumer engagement by using mobile-unique functionalities. In a mobile environment, marketers also need to broaden the scope of brand advertising because the difference between advertising and entertainment is blurring. Mobile solutions allow brand marketing to become an experience in itself.

Utility – through embedded technologies – the native functions used by apps – businesses can enhance the consumer experience by allowing the use of functionalities unique to a mobile device such as the phone's Global Positioning System (GPS), Near Field Communication (NFC) technology or a camera for visual recognition.

Innovation – the ability to innovate by developing new added services allows the user to turn the device into a host of different tools, such as a barcode scanner, an app to navigate the store or a game console. Innovations can also help to remove complexity and simplify a consumer's mission, whether by providing real-time stock availability, or real-time hotel room availability – thus converting data into decision-making aids.

Mobile is having a profound effect not only on consumers, but also on business processes themselves, to stay ahead businesses need to adapt their model to become mobile focused.

Beyond the hype: The true potential of mobile

The convergence of powerful technology, improved connectivity, data analytics, and more intuitive user experiences, is leading to a mobile-centric world.

The mobile explosion

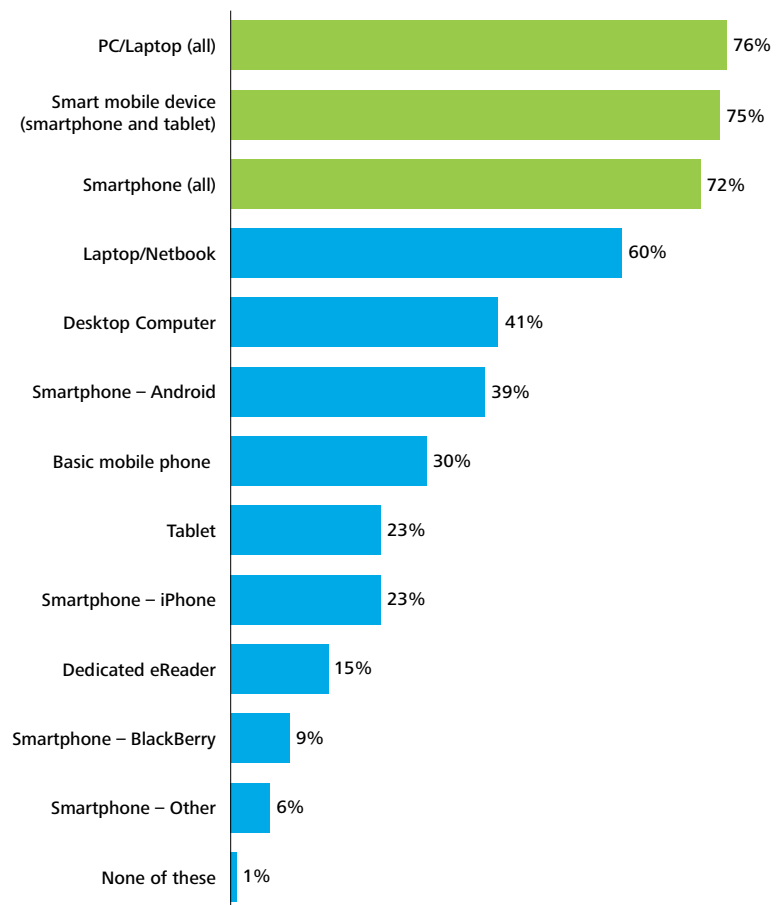
We used to live in a world where mobile telephony simply did not exist. Today, mobile voice service is considered indispensable. While it is difficult to determine whether mobile media will itself become a necessity, with the rapid rise of apps and the recent emergence of mobile payment systems, it is evident that such mobile technologies and solutions are transforming the world of consumers.

It was only six years ago that mobile data was limited to activities on mobile portals exclusively available from mobile operators. Until 2007, content providers paid a large share of their revenues to these operators. The app, a cheap, simple software programme, revolutionised that model, turning the mobile phone into an information and entertainment centre.

More recently, the convergence of improved connectivity with more powerful and versatile devices, has increased consumers' dependency on their mobile technologies dramatically.

As a result the number of mobile devices is increasing exponentially. According to Deloitte UK research, 72 per cent of UK consumers aged 16 to 64 have a smartphone device compared to 58 per cent only ten months ago.² Smartphone penetration in the UK has reached critical mass and is about to overtake the combined penetration of PCs and laptops (see Figure 1).

Figure 1. Device ownership in the UK



Source: Deloitte research, May 2013
Question: *Which of the following do you own?*
Base: UK consumers (n=1032)

89 per cent of consumers aged 25 to 34 have a smartphone device compared to 72 per cent of the total population aged 16 to 64.

The smartphone: Generation Y's indispensable companion

The proliferation of mobile devices, including smartphones and tablets, is particularly strong among younger age groups. Yet the generational gap is closing fast, with 89 per cent of the affluent and influential 25 to 34 year olds now owning a smartphone (see Figure 2).

Mobile drives the digital acceleration

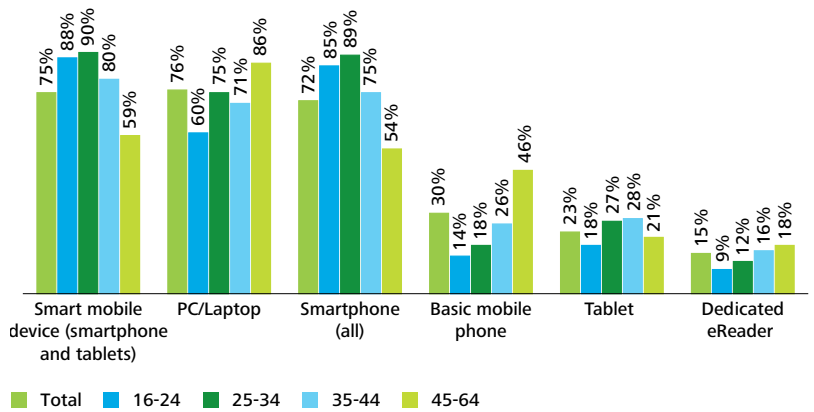
Traditional phone functionalities are still the most commonly used, with 88 per cent of smartphone or mobile owners using their device to send text messages and 83 per cent to make voice calls. At the same time, phones are being used for other purposes for example, 70 per cent of UK consumers are using their device to search for information and 63 per cent use the navigation service. Mobile devices are also becoming the perfect shopping companion, with 57 per cent of UK consumers using them to check product availability and 50 per cent to buy goods (see Figure 3).

The digital life is now taking place while on the move and is the result of the ability to socialise, localise information and shop on a smartphone. These services are merging with one another, with smartphone owners often the largest users of social networks and geolocation services.

As these applications converge, the consumer sector is well placed to benefit from m-commerce. For example, travel operators can offer last minute hotel deals based on the consumer's search history, another example, manufacturers of consumer goods being able to engage directly with consumers bypassing intermediaries.

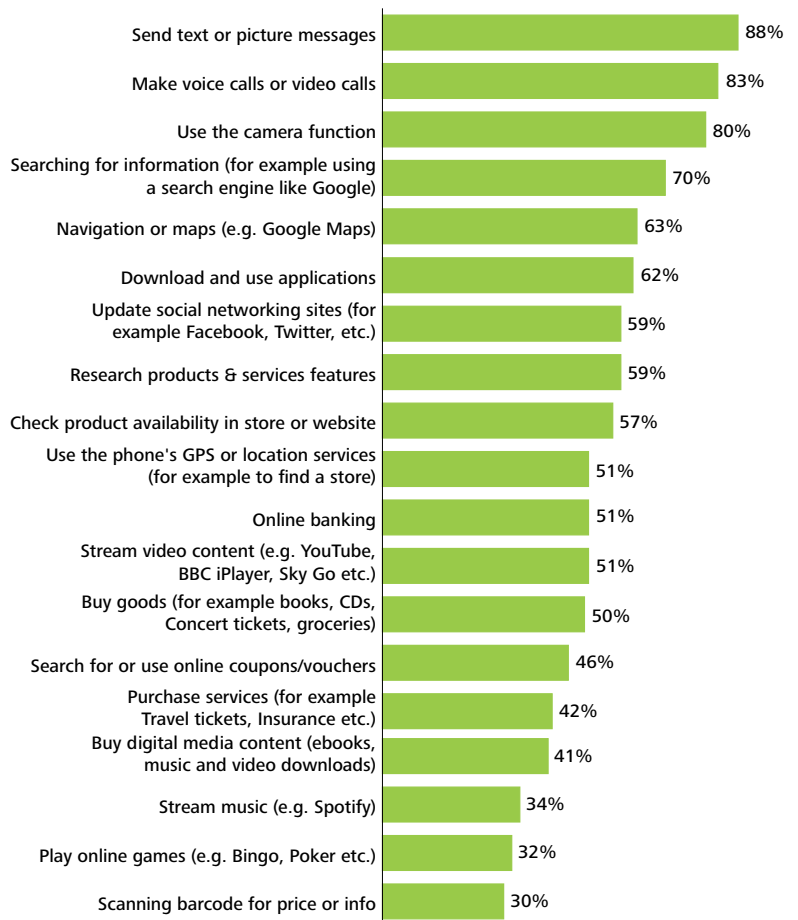
57 per cent of UK consumers have used a smartphone to check product availability and 50 per cent to buy goods.

Figure 2. Device ownership in the UK by age group



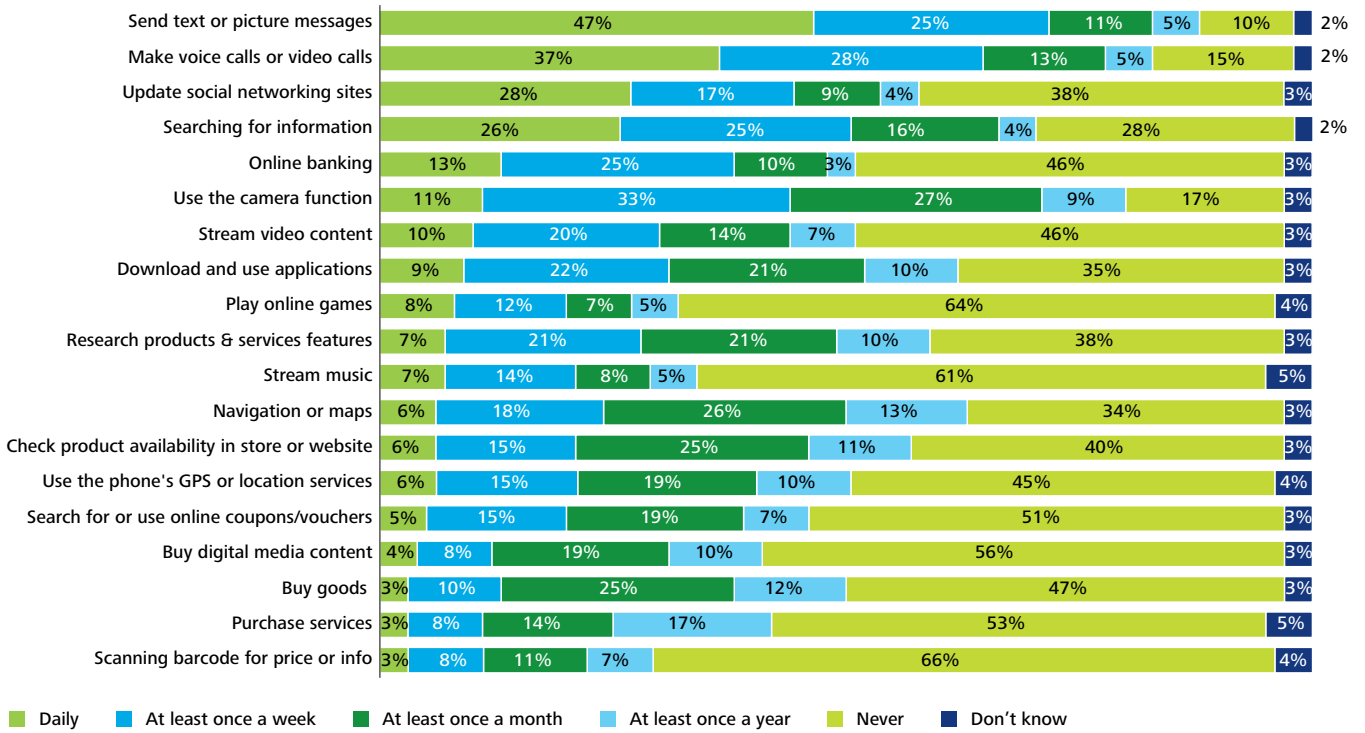
Source: Deloitte research, May 2013
 Question: Which of the following do you own?
 Base: UK consumers (n=1032)

Figure 3. Activities on smartphone or mobile devices



Source: Deloitte research, May 2013
 Question: How often do you do any of the following using your smartphone or mobile phone?
 Base: UK consumers who own a mobile or smartphone (n = 983)

Figure 4. Frequency of smartphone or mobile phone activities

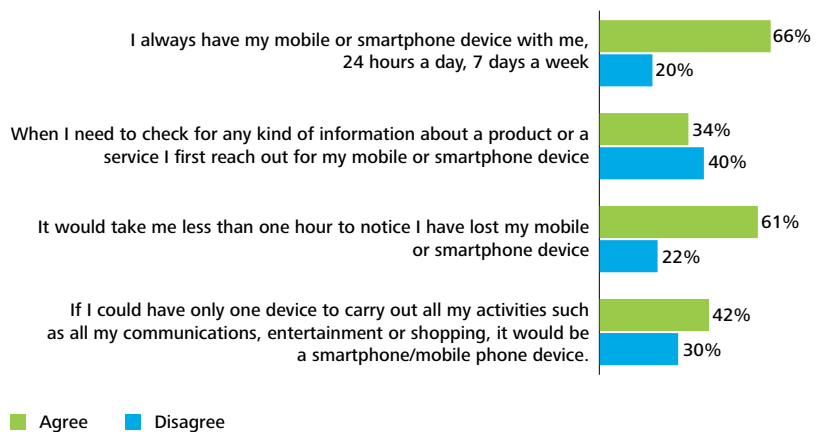


Source: Deloitte research, May 2013
 Question: *How often do you do any of the following using your smartphone or mobile phone?*
 Base: UK consumers who own a mobile or smartphone (n = 983)

The ubiquity of mobile technologies is such that consumers are finding it difficult to imagine life without a smartphone. According to Deloitte research, 61 per cent of consumers claim it would take them less than an hour to realise they have lost their phone. Moreover 42 per cent of consumers agree that if they could only have one device for all their digital activities, it would be a smartphone (see Figure 5). And while only 34 per cent will automatically reach for their smartphone to look for information, more than one-in-two consumers aged 16 to 24 are likely to do so (59 per cent).

More than one-in-two consumers aged 16-24 first reach for their mobile or smartphone to check for any information about a product or a service.

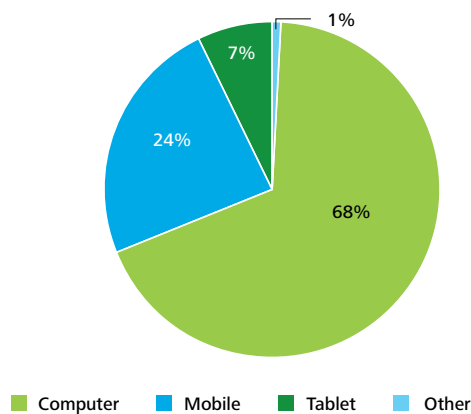
Figure 5. Smartphone reliance



Source: Deloitte research, May 2013
 Question: *Thinking of how much you rely on your mobile or smartphone, how much do you agree or disagree with the following statements?*
 Base: UK consumers who own a mobile or smartphone (n = 983)

As a result, mobile as a share of total Internet traffic is gaining on the personal computer for content consumption.

Figure 6. Device share of page view in the UK



Source: comScore Device Essentials, December 2012

Merging offline and online

Smartphone usage is not strictly limited to activities on the phone itself. Mobile functionalities are also helping to merge the world offline with the world online. The availability of apps or mobile sites that enhance consumers' experience of a product or their experience while shopping is increasing consumer conversion. Recent Deloitte research on the level of influence smartphones have in-store showed that more than £15 billion of in-store UK retail sales are influenced by mobile activities.³

Three forces driving the mobile revolution

Consumer smartphone usage will continue to accelerate driven by:

- the growth of sites optimised for mobile browsing and apps that make lives more convenient
- the ability to tailor and personalise content to consumer needs
- the introduction of simple, frictionless mobile payment solutions.

Apps come of age

"In the future, app development is going to be just as important as property development".

Philip Clarke, Tesco CEO⁴

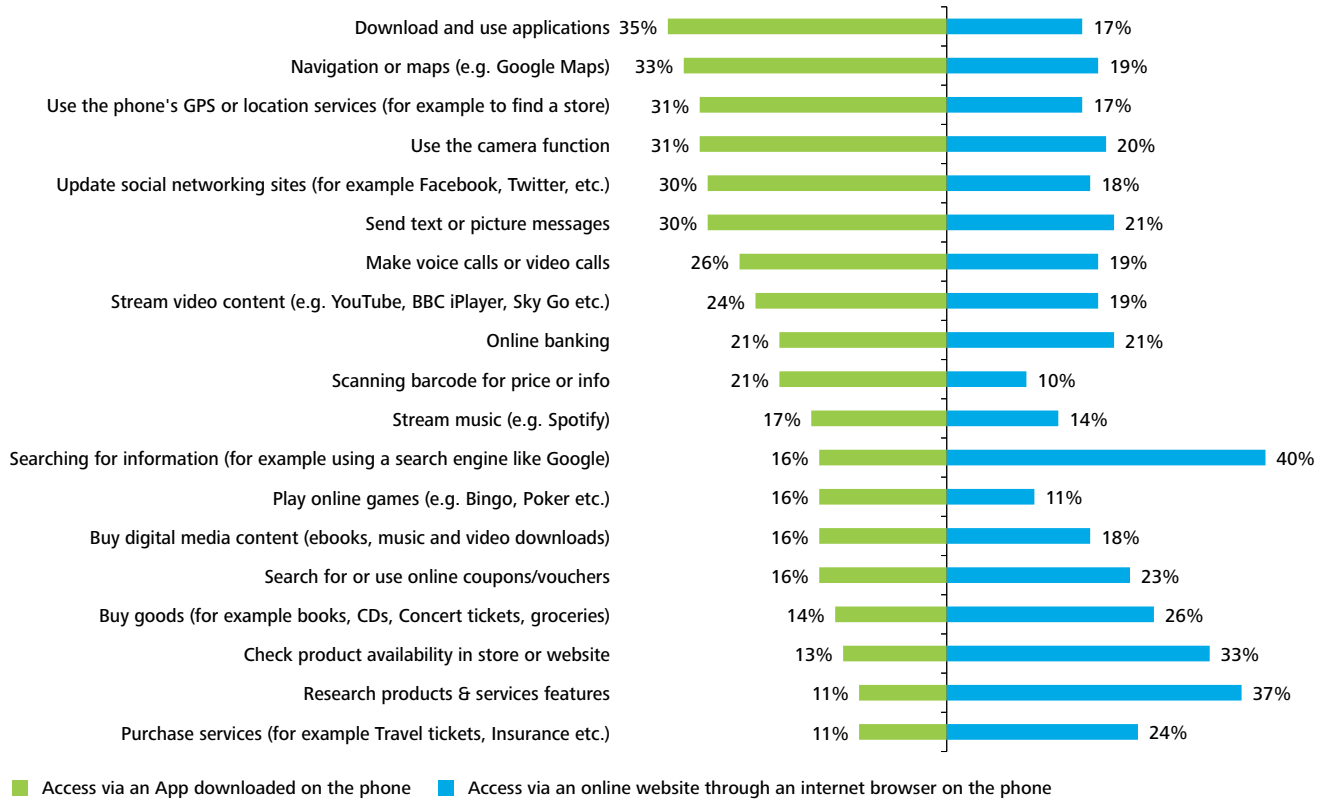
Philip Clarke's comment illustrates the critical role apps are playing in the mobile explosion. But having an app is not the same as having a mobile strategy. An app can be one of the elements of an ecosystem that aims to enhance the consumer experience by improving the relevance of search activity, improving transaction process and enriching the brand experience.

App or mobile optimised site?

Deloitte research shows that while consumers prefer apps to navigate specific content or to socialise, they prefer the mobile Internet browser to carry out a search or help with completing transactions.

The popularity of apps is likely to continue. Deloitte's research shows 44 per cent of consumers agree that if they could, they would use more apps to help with their everyday activities such as communication, entertainment and shopping. In the last year, while 48 per cent of consumers overall have downloaded a social networking app, 63 per cent of those aged 16-24 did so (see Figure 8 and Figure 10).

Figure 7. Mobile device usage preference

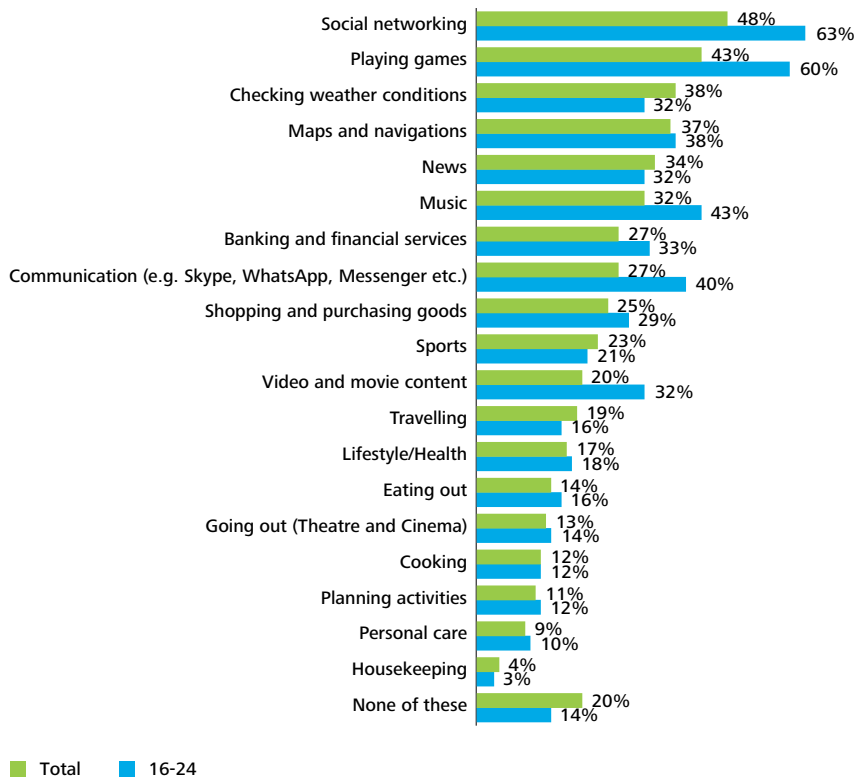


Source: Deloitte research, May 2013

Question: *Thinking of the different ways there are to complete the following activities using a smartphone or mobile phone what is your preferred way of carrying out these activities?*

Base: UK consumers who own a mobile or smartphone, (n = 983)

Figure 8. App downloaded in the last 12 months



Source: Deloitte research, May 2013

Question: Please select the type of apps you have downloaded on one of your mobile devices (i.e. either a smartphone or a tablet) in the last 12 months.

Base: UK consumers who own at least one device (n = 811)

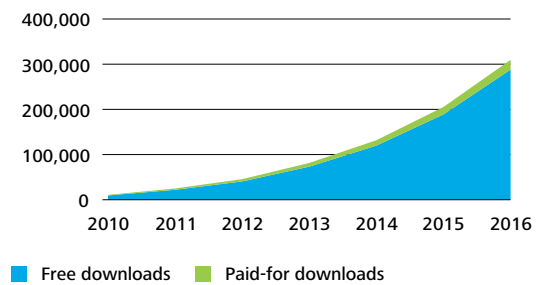
Apps proliferation or consolidation?

The development of apps has accelerated in the last two years and is forecast to continue to grow over the next three years.⁵ As the number of apps increases, so does the number of potential uses. The marketplace place for apps is fast becoming highly competitive and congested.

As a result, the sector is entering a phase of app consolidation, for example Tesco has decided to consolidate all its apps into one single app.⁶ There will also be fewer but better apps, more integrated with other services.

Moreover, apps are not replacing site content, but rather acting as vehicles, either to entertain or provide additional utility not available online or offline. The growing importance of apps will also require a response from the network operators to allow for wider data consumption. Deloitte predicts that all-you-can-app subscriptions will be offered in response to consumer demand, with 29 per cent of consumers agreeing that they would be interested in a package that gave them unlimited usage.⁷

Figure 9. Global number of apps downloaded



Source: Gartner, August 2012

While consumers download a large number of apps, usage is still relatively limited, as they open on average only 7.8 apps each day.⁸ In 2011 Deloitte carried out a study of apps' adoption which showed that 80 per cent of branded apps were downloaded fewer than 1,000 times.⁹ Deloitte's research also indicates that 68 per cent of UK consumers only download free apps.

To date, the development of apps has focused on revenue generation with paid for apps, in-app advertising or apps as a separate transactional channel. Therefore apps' ability to provide a revenue stream will be dependent on advertising as well as directing users to the website or to the physical space to complete their transactions (see Figure 10).

Apps' role in commerce

Apps are an important part of the existing shopping experience and can play a role in enhancing consumers' experience across all channels. Therefore, apps need to be integrated into the overall multichannel strategy, acting as a link between offline and online. Apps need to use the unique features of smartphones, for example data captured about the consumer's preferences and location, to offer relevant and personalised content in real time.

Generation Z are keen users of apps, having grown up in a world where mobile has always existed. Our research shows that younger consumers are more likely to shop using apps rather than websites, with 48 per cent of consumers aged 16 to 24 agreeing they would prefer to shop using an app compared to only 14 per cent of consumers aged 45 to 64 (see Figure 11).

What next for apps?

Soon, not only will apps be accessible through cloud technology or directly via web browsing with new languages such as HTML5, they will also feature new functionalities using sensors and other integrated technologies to collate contextual information.

Personalisation: The era of intelligent marketing

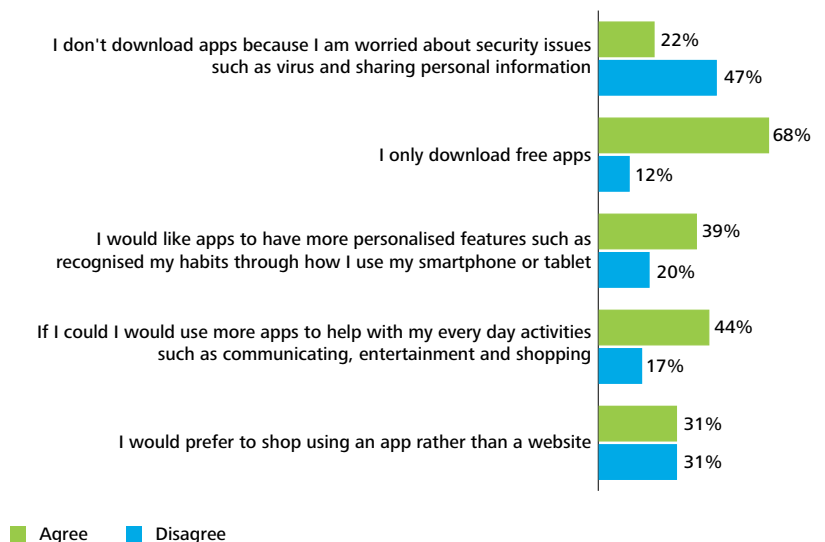
One of the most powerful opportunities of the mobile environment is the ability to collect, aggregate and receive data about consumers' behaviours, while using their phones, in real time. In exchange, content providers are able to send tailored and relevant information to consumers, increasing the chances of capturing their attention and buy-in.

Let's get personal

Having focused their efforts on collating data, organisations are now starting to extract real value from their analytical capabilities.

The convergence of mobile commerce with location-based technology and social media allows businesses to track consumer activity beyond the realm of their own interactions with the consumer. As a result, businesses have developed apps or mobile sites that can tailor content to consumers' preferences expressed on their social networking page or their specific search activity or purchase history.

Figure 10. Consumers' attitudes to apps

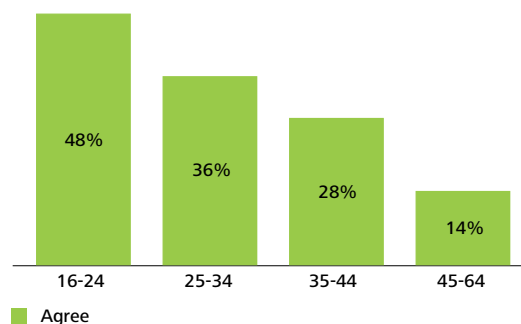


Source: Deloitte research, May 2013

Question: Thinking about your apps usage, do you tend to agree or disagree with the following statements?

Base: All who have downloaded app in last 12 months

Figure 11. Percentage of UK consumers who would prefer to shop via an app rather than via a website



Source: Deloitte research, May 2013

Question: Thinking about your apps usage, do you tend to agree or disagree with the following statements?

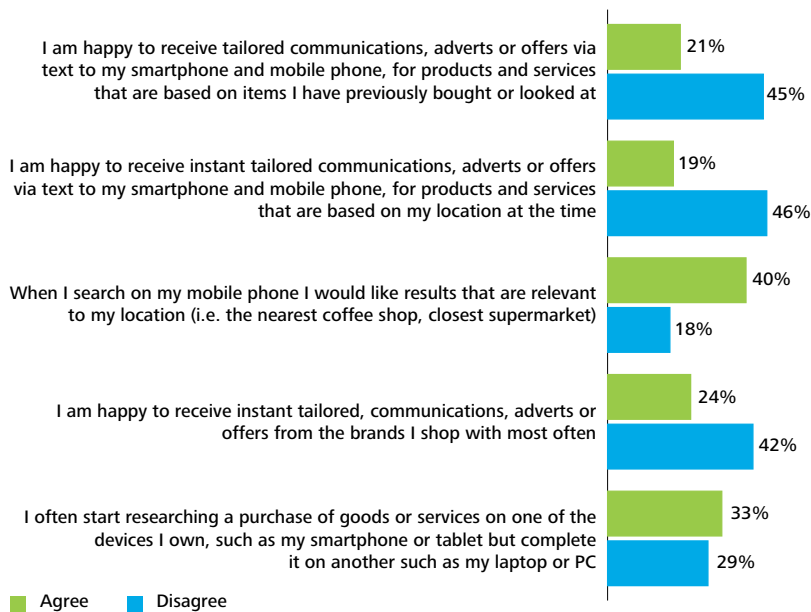
Base: UK consumers who have downloaded app in last 12 months (n = 811)

The analysis of data such as the apps repertoire and volume of activity, combined with the user's actual location and his search activity, are allowing marketers to 'push' relevant offers enabling a consumer need to be satisfied in real time.

On-demand better than push marketing

Our research shows that organisations still need to convince the majority of consumers about the benefits of receiving more targeted marketing as consumers have yet to appreciate the benefits of push marketing. According to Deloitte research, only 21 per cent of consumers are happy to receive instant, tailored communications on their phone based on their search or purchase history. Despite the perceived security risks and data privacy questions, consumer appetite for location-based content is strong. Our research also shows that 40 per cent of consumers would like results that are relevant to their location when completing an Internet search using their smartphone. This is certainly the case for 52 per cent of consumers aged 16 to 34 (see Figure 12).

Figure 12. Attitudes to personalisation



Source: Deloitte research, May 2013

Question: Do you tend to agree or disagree with the following statements?

Base: UK consumers who own at least one device (n = 811)

Mobile advertising: A key revenue stream

In-depth analysis of smartphone activity will also allow marketing teams to ensure they spend their budgets on the most relevant target groups. As the lines between offline and online continue to blur, it is easy to see why mobile advertising is expected to become an important revenue stream for the mobile market. According to recent research, around one-third of mobile apps revenue will be generated by advertising by 2014.¹⁰

While personalisation is seen as crucial to the success of digital strategies, just one-in-ten organisations is currently delivering a personalised mobile experience.¹¹ However, this is likely to change with the plan announced recently by the UK's major telecoms operators to start using the large stores of data provided voluntarily by more than one-in-three adults in the UK, to allow mobile app and website marketing to be tailored to their individual phone users.¹²

Mobile payments

While currently accounting for only a small part of the money transfer market, with the rapid increase in smartphone ownership, the rapid growth of mobile payments is inevitable. Becoming more widely available, mobile payment systems offer an alternative both to cash payments and dedicated card terminals, and form the logical last stage in the consumer path to purchase in a mobile-centric world. According to Gartner, payments via mobile transactions will reach a value of over £154 billion in 2013, as the number of mobile payment users worldwide reaches 245 million.¹³

There are several mobile payment systems competing for share in the mobile payment market:

Person-to-person (P2P) payments – Mobile P2P payments are transfers between individuals using preloaded apps, a browser or text messages (SMS) to initiate, authenticate and transfer funds.

Mobile web payments – These payments are the mobile counterpart of e-commerce payments, consisting of e-commerce mobile apps or mobile-friendly e-commerce checkout. Examples of such solutions include the online wallet.

Contactless payments – These purchases are initiated using a mobile phone at point of sale, whether attended or unattended, such as a till, a vending machine, parking meter or ticket gate. Near field communication (NFC) will likely be the preferred technology for these payments.

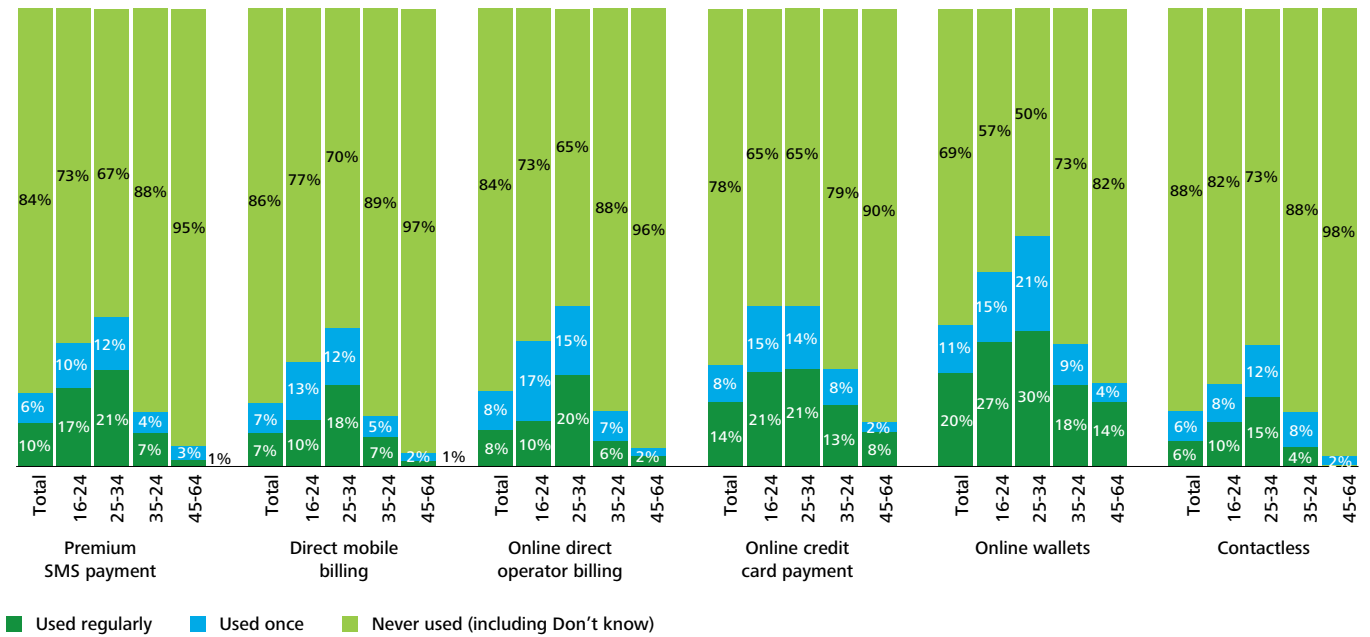
State of mobile payments usage

While Deloitte research shows that 31 per cent of UK consumers have used online wallets, and 12 per cent have used contactless technology such as NFC, the research also shows that consumers aged 25 to 34 are more likely to have used mobile payment solutions, with 51 per cent claiming they have used online wallets and 27 per cent have used contactless solutions (see Figure 13).

Slow adoption of mobile payment solutions, is related to:

- the on-going debate to establish which mobile payments technologies, between NFC, text based or online wallet solutions, will become the most popular.
- current consumer scepticism regarding whether mobile payment solutions are safer and more convenient than other payment solutions
- developing added-value services such as bundling payment solutions with loyalty schemes
- the need to convince card payment networks to open up their market.

Figure 13. Mobile payments usage

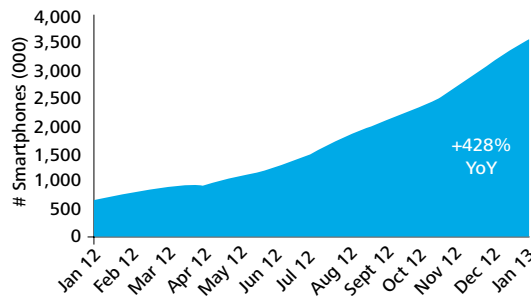


Source: Deloitte research, May 2013
 Question: Which, if any, of the following Mobile payment solutions have you ever used?
 Base: UK consumers who own at least one device (n = 811)

Will NFC take off in the UK?

There has been a significant rise in NFC enabled devices in the UK: 428 per cent year-on-year since January 2012. More than 3.5 million smartphones, representing 11 per cent of all smartphone devices, have NFC chips (see Figure 14).

Figure 14. Installed base of NFC capable phones

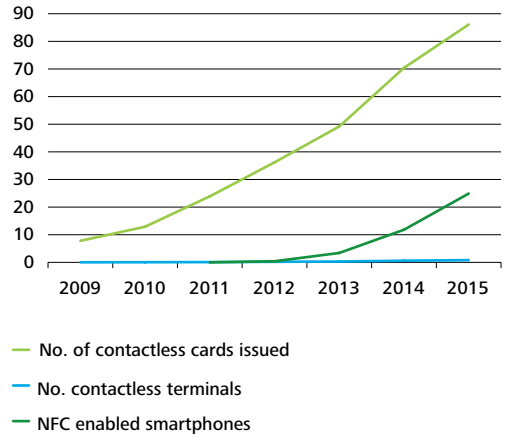


Source: ComScore, Mobile Advisor, January 2013

While strong growth in the number of NFC enabled cards and smartphones is expected to continue, NFC readers have lagged behind. However, the ratio of cards to readers has declined over the last five years from 390 cards per reader in 2009 to 181 in 2012, and is forecasted to fall further to 108 by 2015.¹⁴ This suggests the potential for NFC-based mobile payments remains strong (see Figure 15).

Also, the absence of NFC technology in the iPhone continues to be a barrier to wider usage. However this could change as there are reports that the next iPhone could include NFC technology. Regardless of whether Apple decides to adopt the technology and albeit still being niche, NFC is rapidly emerging as the contactless technology of choice. With the growing integration of NFC technologies in mobile devices and more and more objects being fitted with NFC sensors, driving the growth of the so-called 'Internet of things', NFC still represents a major growth opportunity beyond its role in contactless mobile payments.

Figure 15. Number of NFC cards, readers and NFC enabled smartphones in the UK, 2009-2015

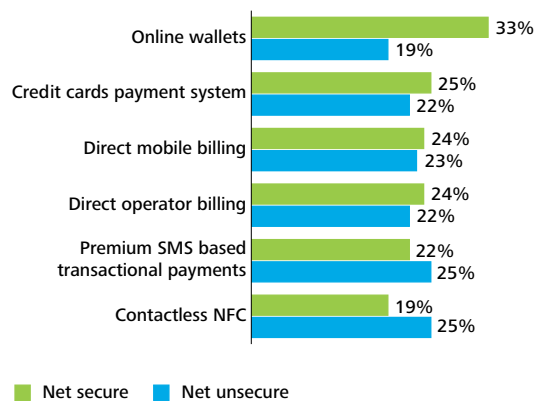


Source: UK Cards Association, Visa, Gartner research, Deloitte analysis, contactless.info.

Mobile payments are perceived as more secure

Convincing consumers that mobile payments are secure is a key step towards increasing usage of mobile payment systems. Deloitte's research indicates that consumers are slowly leaning towards accepting the technology. The more familiar they are with the technology the more secure they feel it is, with 33 per cent perceiving the online wallet payment solution as secure compared to only 19 per cent for NFC solutions (see Figure 16).

Figure 16. Perception of the security of mobile payment solutions



Source: Deloitte research, May 2013

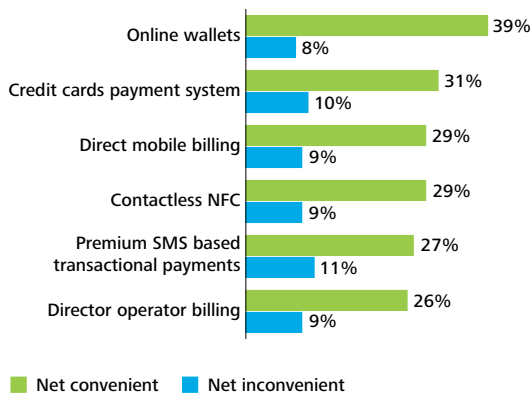
Question: *How secure do you think each of the following is?*

Base: UK consumers who own at least one device (n = 811)

More than just payment

Regardless of whether consumers have actually used mobile payment solutions, on average around a third of them tend to agree with mobile payments being convenient (see Figure 17).

Figure 17. Perception of convenience of mobile payment solutions



Source: Deloitte research, May 2013

Question: *Regardless of whether you have used mobile phone payment solutions before how would you rate each of the following mobile phone payment solutions?*

Base: UK consumers who own at least one device (n = 811)

However, to encourage usage of mobile payment solutions over a standard debit or credit card, an offering that goes beyond convenience and adds value is required. Operators and technology developers not only need to demonstrate to businesses the financial benefits of adopting mobile payment solutions, they also need to bundle mobile payment solutions with services such as loyalty cards or coupons to get further consumer uptake. Some retailers in the US have already joined forces to create their own digital wallet allowing consumers to select payment options that are the cheapest for the retailer, for example by incentivising them with vouchers.¹⁵

With the ongoing trend towards technological convergence, the smartphone is fast becoming the device of choice for many consumers, and therefore well positioned to become a convenient form of digital payment. Deloitte research reinforces the keenness of consumers for further convergence, with 42 per cent claiming that, if possible, they would like to a smartphone to carry out all their activities (see Figure 5).

It is only just starting

While mobile devices are fast becoming more powerful both in terms of hardware and software, a number of key developments and trends are rapidly positioning mobile as the device of choice:

- **Power and convenience** Thanks to faster processors, the incorporation of sensor technologies, better battery life, operating systems convergence and cloud technology
- **Faster connectivity and intuitiveness** improved connectivity with the launch of 4G and HTML 5 allowing the development of sites that work better on smartphones and can incorporate augmented reality features.
- **Better data deals** Operators offering more competitive and adapted data package with 'all you can app' type of deals
- **Wider development of mobile offering by businesses** Better execution and offering with optimised mobile sites or apps with enhanced functionalities
- **Growing consumer appetite** Consumers continued demand for mobile solutions despite the security and privacy concerns.

Client imperatives

Mobile technologies are changing so fast that demand and pressure to adopt them are often outpacing businesses' ability to develop the appropriate platforms to respond.

A mobile focused business?

It is critical for businesses to focus their efforts where real growth exists when deciding how to develop their mobile capabilities. This means designing a mobile strategy with the consumer at its core. The right mobile strategy will take into account how consumers use their phones, for example how they interact with the brand, and what their expectations are in different circumstances. This will allow businesses to have a better understanding of the mobile-user experience, leading to better engagement and making sure this is an experience consumers will want to repeat.

Mobile may be at the heart of a seamless ecosystem, but it does not work in isolation. It is merely an enabler – albeit a powerful one – merging offline and online. Our research shows that 41 per cent of UK consumers start research on one of their devices, often a smartphone, but complete their activity on another. This demonstrates how fragmented the digital world still is.

As a result, the number of consumer touch points is increasing. The challenge for businesses is developing capabilities that integrate all their channels and tailor the offer to individual needs and circumstances.

In addition, the convergence of greater convenience, through mobile enabled services, analytics that allow personalisation of content, and the ability to pay using a mobile phone, requires businesses to rethink the traditional consumer funnel.

Businesses need to address typical consumer activities such as fulfilling a shopping mission or receiving after sales service, through a seamless system whether the consumer uses an app, a social media site or the physical store. This system needs to be relevant for the consumer at each step of the process by recognising who the consumer is, what his consumption patterns are, his location and his preferences.

Developing the right mobile strategy

Consumer-facing businesses need to adapt their operating models to ensure they:

- develop mobile commerce capabilities through a mobile site or an app
- put mobile in a predominant position in their advertising strategy
- explore the possibilities of embedding a mobile payment solution.

Solutions businesses need to consider include:

- improving consumer empowerment with the help of augmented reality or NFC sensors
- increasing convenience by offering context-relevant, location-based offers
- improving consumer relevance by applying advanced analytics and developing personalisation functionalities
- integrating and active participation in social media sites to encourage brand discovery and develop the relevant social media tools to allow the consumer to endorse the brand through recommendations to friends and family.

To compete, businesses not only need to develop the technologies to deliver and execute their existing propositions through mobile devices, they also need to use smartphone functionalities to innovate and enhance the consumer experience.

Deloitte has identified a number of key considerations when choosing an app versus a mobile site. These include the frequency of usage, whether online access is required, whether native features are required and the level of reporting complexity (see Figure 18).

The right mobile strategy will help improve key aspects of business development including:

Branding – mobile is increasingly becoming the first touch point with a brand. It is therefore critical for marketers to design their mobile platforms, icons, apps or mobile sites to foster consumer engagement by using mobile-unique functionalities. This includes the use of the Global Positioning System (GPS) for location-based marketing and the ability to cross-analyse data from different sources to develop personalised offers. In a mobile environment, marketers need to broaden the scope of brand advertising because the difference between advertising and entertainment is blurring. Mobile solutions allow brand marketing to become an experience in itself.

Utility – through the embedded – the native mobile functions used by apps – businesses can enhance the consumer experience by allowing the use of functionalities unique to a mobile device such as the phone’s GPS, NFC technology or using the camera for visual recognition.

Innovation – the ability to innovate by developing new added services allows the user to turn the device into a host of different tools, such as a barcode scanner, an app to navigate the store or using the phone as a game console. Innovations can also help to remove complexity and simplify a consumer’s mission, whether by providing real-time stock availability, or real-time hotel room availability – thus converting data into decision-making aids.

Figure 18. Key considerations when choosing a mobile approach

	App	Mobile web
Frequency	If the user is likely to require the information frequently and will need to login.	If the content is likely to be searched for and required infrequently.
Online v Offline	If can access content without a connection.	If an active internet connection is required to access the content.
Native features	If require the use of GPS, camera, calendar etc.	The user can access the content on many mobile platforms.
Complexity	When there are complex inputs/calculations/ reporting requirements.	Generally preferred for more simple interactions.

Source: Deloitte Digital

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