

OMNICHANNEL TRENDS 2015

Mobile Is the New Retail Hub

DECEMBER 2014

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EXECUTIVE SUMMARY

Consumers don't think about online or offline—they're shopping. Most retailers, on the other hand, are still having trouble providing a unified shopping experience. In a survey by SPS Commerce and Retail Systems Research (RSR) published in October 2014, only 5% of businesses said they have executed most of their omnichannel strategies, while 37% haven't even begun.

Even as many retailers dawdle, consumers continue to change their shopping behaviors. They still head to stores to actually purchase, but they shop continuously on their devices. Smartphones aren't replacing stores—they're augmenting them. In 2015, for the first time, the majority of sales in stores will be influenced by digital media, according to Forrester Research.

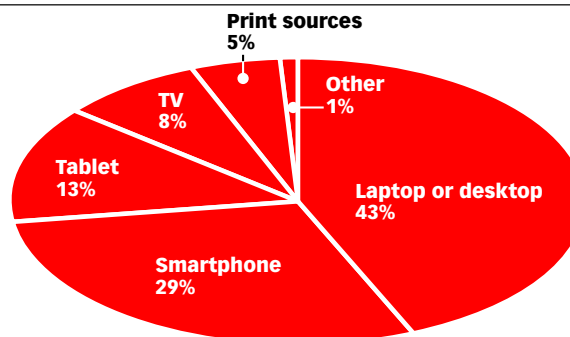
The smartphone is becoming the new hub of retail. The majority of US consumers shop with their phones. In most cases, mobile is the catalyst for sales.

Mobile's growing role in shopping plays a part in many of the major omnichannel trends of 2015. This report will examine how retailers are struggling with the issues and obstacles of omnichannel practices, as well as discuss seven of the most important trends that retailers will confront in the next year.

KEY QUESTIONS

- How well have retailers adapted to the omnichannel world?
- How do consumers shop with so many omnichannel options?
- Which omnichannel innovations would generate the most customer happiness?
- What are key takeaways marketers should keep in mind when trying to reach consumers?

Most Important Device/Media Used to Search for Info When Making a Purchase Decision According to US Smartphone/Tablet Users, March 2014 % of respondents



Note: n=2,001; numbers may not add up to 100% due to rounding
Source: xAd and Telmetrics, "2014 Mobile Path to Purchase: The New Shopper Mindset" conducted by Nielsen, June 3, 2014

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RETAILERS STILL PLAYING CATCH-UP

Omnichannel marketing as a term may be trendy, but there's nothing ephemeral about the idea that customers prefer a seamless, cross-channel shopping experience.

Omnichannel retail has many definitions, but the common thread is a shopping experience that flows effortlessly from one sales platform to another, and from one session to another. "For Walgreens, it's about providing convenience and a seamless digital experience for consumers," said Adam Pellegrini, vice president of digital health at the drug retailing chain. "Omnichannel digital health means that our customers should be able to go online, offline and back online again to a mobile phone, to a tablet, to a phablet."

Walgreens is ahead of many retailers. With budgets tight and legacy systems in place, few retailers can deliver an omnichannel shopping experience at the moment.

In the SPS Commerce/RSR survey, 37% of businesses said they are lagging in their omnichannel strategy, with a further 32% in the early stages of implementing a strategy. Only 5% reported that they have executed on most of their strategy.

Extent to Which US Companies Believe They Have Made Progress Implementing/Executing Omnichannel Strategies, 2013 & 2014

% of respondents

Advanced: we are ahead of most of our peers and have executed on most of our strategy



Moderate: we have identified our strategy and are executing on it



In process: we are developing our strategy and beginning to execute the plan



Lagging: we are exploring our omnichannel options and haven't yet set our long-term strategy



■ 2013 ■ 2014

Source: SPS Commerce, "Retail Insight 2015: Fulfilling Consumer Expectations" conducted by Retail Systems Research (RSR), Sep 30, 2014

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Although the study's sample was small—214 businesses—and included just 28% retailers, eMarketer spoke with numerous retail experts who corroborated the findings.

"Retailers have to engage with consumers where they want, any time they want, and have a consistent message across the brand," said Ken Morris, partner and co-founder at Boston Retail Partners (BRP). "It's rare to have a retailer that's able to do that."

"The consumer is already thinking in an omnichannel way, and it really is the corporations lagging behind," said Ye Jin, a strategist for a major retailer.

The way retailers attribute sales is another indication of their lagging omnichannel execution. "A lot of our clients have siloed their ecommerce teams," said Ryan Urban, CEO of Bounce Exchange, a platform that deduces consumer intent from onsite behavior. "They just get credit for sales that happen online, so they don't work to drive sales in stores." As a result, many companies have teams and marketing campaigns competing with each other instead of complementing each other.

In practice, eliminating silos is difficult. "There are a lot of heritage systems in place," Jin said. "In order to really deliver an omnichannel experience for a customer, whether it's B2B [business-to-business] or B2C [business-to-consumer], you need to update the whole infrastructure."

The slow pace of omnichannel adoption by retailers stems from legacy organizations, legacy technologies and legacy ways of thinking, but it also reflects the incredibly quick pace of change in consumer behaviors. "Our expectations as consumers are higher than what's currently in the market," Jin noted.

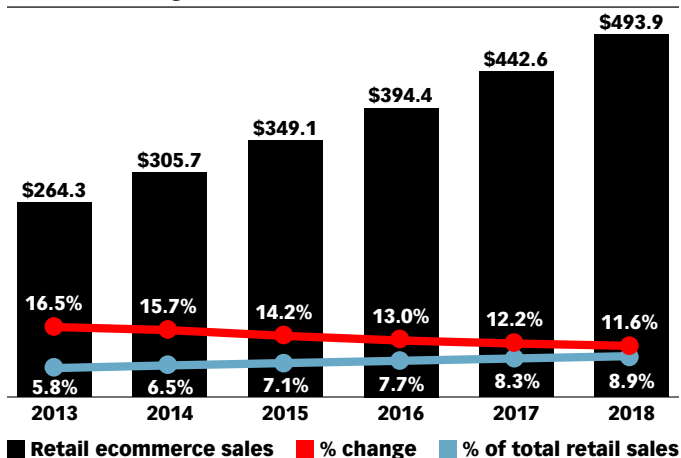
SEVEN TRENDS IN 2015

PHYSICAL STORES RETAIN THEIR MOJO

Although digital captures more sales and influences in-store purchases each year, eMarketer estimates that a relatively small portion of retail sales—roughly 7.1% in 2015—will take place online. Even in this year's holiday season when ecommerce experiences a spike, only 8.4% of sales will be online. When shoppers buy something, more often than not they are in a store.

US Retail Ecommerce Sales, 2013-2018

billions, % change and % of total retail sales



Note: includes products or services ordered using the internet, regardless of the method of payment or fulfillment; excludes travel and event tickets
Source: eMarketer, Sep 2014

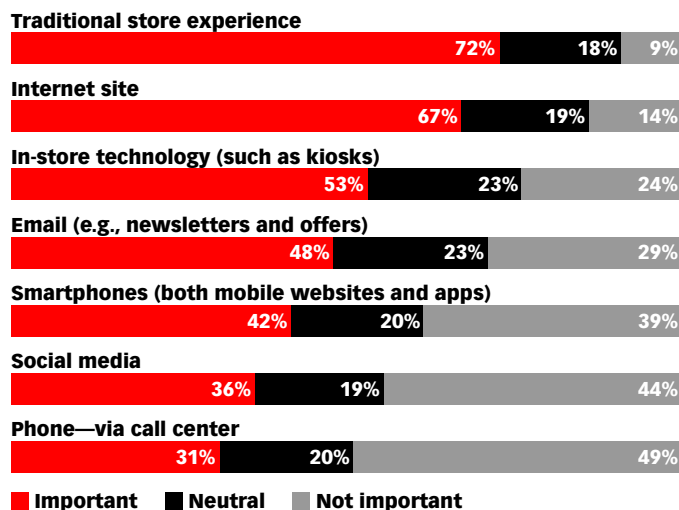
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A report from consulting firm Capgemini conducted by ORC International surveyed 18,000 consumers across 18 countries in June 2014 and found that 72% of respondents said physical stores are extremely important or very important in shopping, compared with 67% who rated the internet similarly. Stores clearly retain their allure. "We believe the in-store experience is very strong," said Jaime Carey, chief merchandising officer at Barnes & Noble. "There's a tremendous amount that goes with that. There's discovery, there's convenience."

Importance of Select Channels/Locations When Making a Purchase According to Digital Shoppers Worldwide, June 2014

% of respondents



Note: based on a 5-point scale where 1=not at all important and 5=extremely important; among those who have used digital channels and/or devices at least once in the shopping process in the past 3 months; numbers may not add up to 100% due to rounding
Source: Capgemini, "Digital Shopper Relevancy Report 2014" conducted by ORC International; eMarketer calculations, Sep 25, 2014

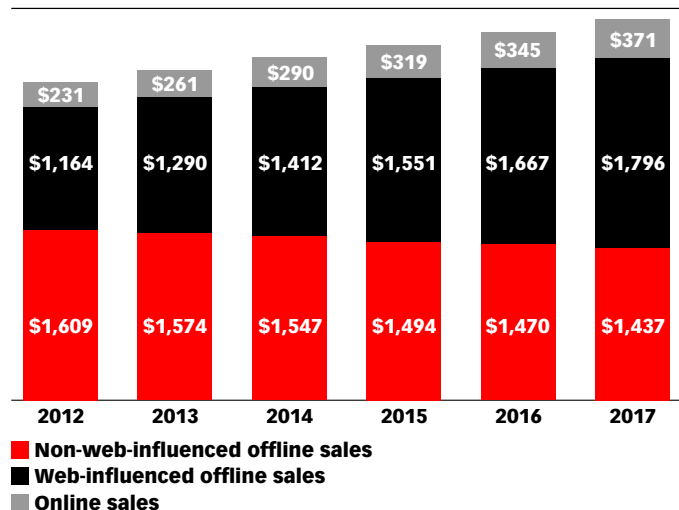
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Concluding from these numbers that digital has a limited impact on sales, however, is incorrect. For one thing, digital is a crucial part of the shopping experience. Forrester Research predicted that the majority of US in-store sales in 2015 will be digitally influenced. By 2017, digital media will influence nearly \$1.8 trillion in retail sales—more than 60%.

US Web-Influenced Retail Sales, by Segment, 2012-2017

billions



Source: Forrester Research "US Cross-Channel Retail Forecast, 2012 To 2017" as cited by Business Insider, March 27, 2014

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And, the influence works both ways. “[Store-influenced online sales] have happened to me many times,” said Eddie Combs, former senior vice president of marketing at Guitar Center. “The person decided in the store, ‘This is the product I want,’ but they sought validation and shopped around. They transacted online, but they were physically sold on it in the store.”

Digital isn’t making physical stores obsolete; it’s transforming them into variable fulfillment centers and brand showcases. Restoration Hardware exemplifies this approach. The upscale home furnishings chain has opened eight large galleries in major US cities, with plans to open as many as 60 more. These stores are large—up to 45,000 square feet and often located in landmark buildings. They have fully furnished interior and exterior spaces showcasing Restoration Hardware’s products. In a March 2014 article from The Wall Street Journal, CEO Gary Friedman stated that products showcased in a store experience a 50% to 150% lift across all channels.

Walgreens is another chain that is using online and offline in tandem to create an experience that amplifies its brand positioning. In Walgreens’ case, the drug chain wants to associate its branding with healthy living, so it has turned its stores into health centers while also introducing online consultations about health issues. “When a consumer is managing their medication, when they are getting a virtual consult ... they should be able to have that digital health experience online but just as easily walk into the store and continue the conversation,” Pellegrini said. “Having the store support the behavioral change process ... creates that unique, differentiated omnichannel approach for health and wellness.”

Even pure play ecommerce companies are realizing that brick-and-mortar stores offer something they can’t replicate online alone. Amazon’s announcement that it will open stores in Manhattan and San Francisco follows the lead of smaller pure plays such as Warby Parker, Birchbox, Rent the Runway and Bonobos. This move away from pure play and toward an omnichannel model reflects their realization that stores have an irreplaceable, experiential and logistical advantage.

Many of these pure plays opened up physical stores initially to spread brand recognition rather than to produce offline revenue, but they’ve found they can do both.

Rent the Runway, an online service that provides designer dress and accessory rentals, opened several stores that matched customers with stylists. Dressing rooms take up much of the store space. “The full experience for us means the customer works one-on-one with a stylist to learn how the process works and discover new designers and trends that they may not gravitate toward on their own,” said Jennifer Fleiss, co-founder and head of business development at Rent the Runway. “Customers tend to place orders with a higher average value than online orders. ... We did not predict just how much promise physical stores would have for our business from a profit perspective.”

Men’s fashion retailer Bonobos doesn’t even accept offline sales. Its guide shops have limited inventory but highly trained staff who measure customers and recommend outfits for purchase later online. “[Shoppers] buy almost 75% more if they come in through the guide shop,” Bonobos CEO Andy Dunn said. “The reason is they’re getting a human experience. The world has become lonelier through technology and through urbanization. Having a great human one-to-one experience is unique these days. And for me, it builds enormous loyalty if I like the people that I’ve transacted with.”

THE PHONE IS THE NEW RETAIL HUB

While the vast majority of retail purchases still take place in stores, the purchase decision process increasingly flows through smartphones. There are a few exceptions: Most groceries and packaged goods aren’t reconsidered each time. But for considered purchases, people are researching online before and during their time in a store.

Mobile is the catalyst for sales captured elsewhere. eMarketer estimates that there were 146 million mobile shoppers in the US this year, up 23 million from 2013. Only about half of smartphone shoppers, however, buy anything on their phones. eMarketer expects that mobile will account for only 1.6% of total retail sales in 2015.

US Mobile Buyers as a Percent of Mobile Shoppers, by Device, 2013-2018

	2013	2014	2015	2016	2017	2018
Mobile buyers % of mobile shoppers	66.2%	69.7%	71.2%	73.9%	75.7%	76.0%
—Buyers on smartphone % of shoppers on smartphone	51.3%	51.9%	52.4%	53.0%	53.5%	53.7%
—Buyers on tablet % of shoppers on tablet	75.0%	79.1%	80.9%	85.1%	86.8%	88.1%

Note: ages 14+; mobile buyers are mobile device users who have used their mobile device to make at least one purchase via web browser or mobile app during the calendar year; mobile shoppers are mobile device users who have used their mobile device to browse, research or compare products via web browser or mobile app during the calendar year, but have not necessarily made a purchase via mobile device
Source: eMarketer, Sep 2014

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A Placecast survey conducted by the Harris Poll in October 2014 confirmed the multifaceted role of smartphones in shopping. Only 14% of US smartphone owners said they planned to make a purchase on their device for this holiday season. Far more consumers planned to use their phone to find a local retailer (39%), get social feedback on a potential gift (38%) or find a coupon in-store (33%).

Ways in Which US Smartphone Owners Plan to Use Their Smartphone While Holiday Shopping, Oct 2014

% of respondents

To look for an item in a search engine (e.g., Bing, Google, Yahoo) to find a local retailer	39%
To take a picture of a potential gift to text to friend or family member for their opinion	38%
To search for a coupon for a store I am in	33%
To search for a coupon for an item/brand I plan to purchase	32%
To check availability of items at specific local retailers	28%
To scan an item's QR code using an app to compare prices at other stores/online	24%
To use my phone to make a purchase	14%
For something else	11%

Note: n=1,181 ages 18+
Source: Placecast, "Trends on Mobile Use This Holiday Season" conducted by Harris Poll, Nov 26, 2014

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Even so, most mobile research leads to a purchase, just not on the smartphone. In the xAd/Telmetrics survey, between 70% and 80% of US smartphone or tablet users said they had completed or would soon complete a purchase related to their smartphone search.

US Smartphone/Tablet Users Who Completed a Purchase* After Researching a Product In-Store, by Industry, March 2014

% of respondents

Restaurant	80%	8%	12%
Entertainment	59%	15%	26%
Telecom	55%	22%	23%
Automotive	54%	20%	26%

■ Yes ■ Not yet but plan to in the near future ■ No

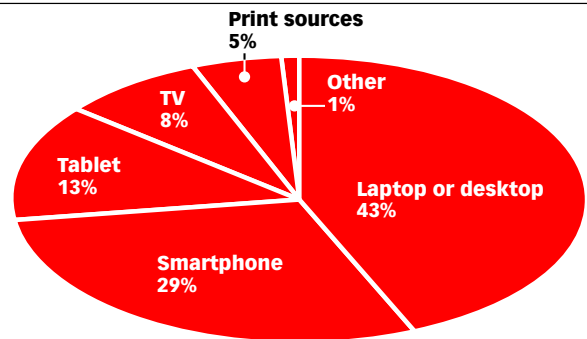
Note: n=718 auto; n=1,043 entertainment; n=962 restaurant; n=756 telecom; *either in-store, by phone or online
Source: xAd and Telmetrics, "2014 Mobile Path to Purchase: The New Shopper Mindset" conducted by Nielsen, June 3, 2014

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A related survey of 2,000 smartphone and tablets users conducted by Nielsen for Telmetrics and xAd found that more than 40% of consumers considered mobile their most important media resource for a purchase decision.

Most Important Device/Media Used to Search for Info When Making a Purchase Decision According to US Smartphone/Tablet Users, March 2014

% of respondents



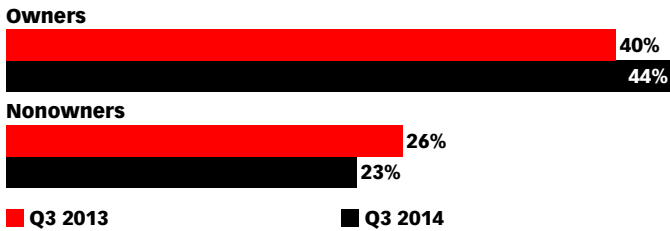
Note: n=2,001; numbers may not add up to 100% due to rounding
Source: xAd and Telmetrics, "2014 Mobile Path to Purchase: The New Shopper Mindset" conducted by Nielsen, June 3, 2014

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In-store mobile use is prevalent across age groups. comScore reported that in April 2014, 35% of US internet users showroomed, including nearly half of millennials and even 28% of seniors 65 and older. In a more recent Q3 2014 survey, comScore found that 44% of smartphone owners said they participated in showrooming.

US Consumers Who Have Showroomed*, Smartphone Owners vs. Nonowners, Q3 2013 & Q3 2014

% of respondents



Note: *visited a brick-and-mortar store to see a product but instead purchased the product online
 Source: comScore Inc., "State of the US Online Retail Economy in Q3 2014," Nov 18, 2014

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LOCATION, LOCATION, LOCATION

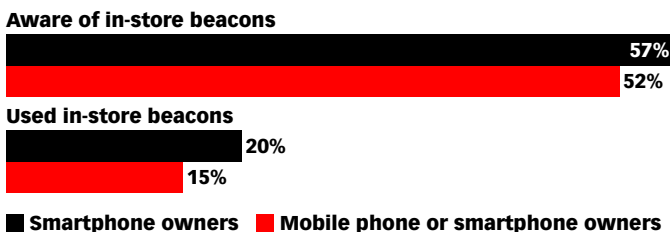
Consumers have long known how to shop online and in stores, of course. What's new is that they're now shopping online to help them shop in-store and vice versa. This new behavior is changing the type of information they seek.

Showrooming best reflects this shift, but it's only one aspect of a bigger shift toward information that's relevant to a specific location. "Hyperlocal is where life really happens," said Judy Shapiro, founder and CEO of EngageSimply, an engagement marketing company. "Mobile is critical real-time information, connectivity and help. Use it for that."

As consumers have turned mobile into a catalyst for physical shopping, retailers are turning to beacons and other in-store proximity tools. These tools remain in the experimental stage, but they are increasingly catching consumers' attention. In the Placecast/Harris survey, 15% of mobile phone or smartphone owners indicated that they had interacted with such technology.

Awareness vs. Usage of In-Store Beacons Among US Mobile Phone/Smartphone Owners, Oct 2014

% of respondents



Note: n=1,832
 Source: Placecast, "Trends on Mobile Use This Holiday Season" conducted by Harris Poll, Nov 26, 2014

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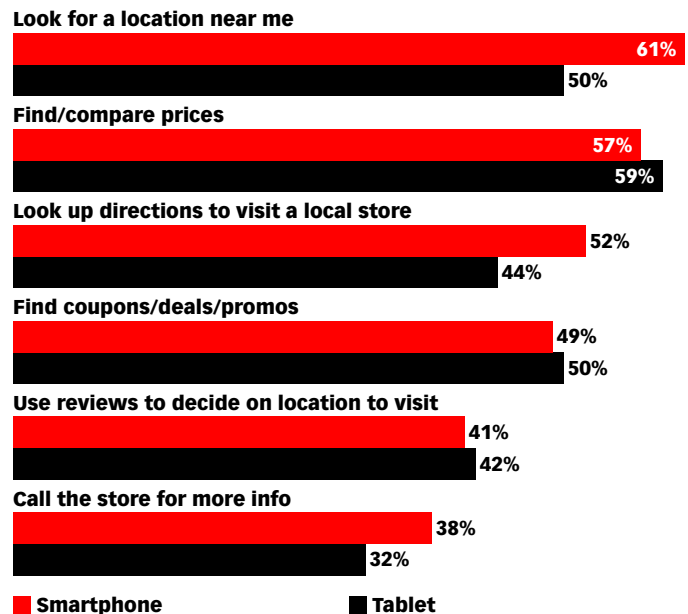
According to beacon platform Swirl, the majority of the top 100 retailers are actively testing beacon technology, many of them with system-wide tests. Several department store chains and apparel retailers are leading the way, but retailers as varied as supermarkets and drug stores have significant deployments.

A one-size-fits-all mentality won't work with beacons. "The most important thing is finding the right use case," said Mike McMurray, vice president of business operations at Point Inside, a mobile-shopper engagement service. "If the goal is just to install beacons, that may be more of a short-sighted approach."

Consumers not only want information on products in front of them in a store, they also want to know where they can find a product in a nearby store. The xAd/Telmetrics survey found that searching for a nearby retail location was the most common shopping action that smartphone and tablet respondents used when accessing mobile apps/websites: 61% of smartphone owners listed it as something they regularly do. "For consumers, it really comes down to two fundamental questions," McMurray said. "'Do you have this product?' And, 'Where can I find it?' If you're going to the store, you want to have some sort of physical experience with the product."

Shopping-Related Ways in Which US Smartphone and Tablet Users Use Mobile Apps/Websites, March 2014

% of respondents



Note: n=1,822 smartphone; n=1,326 tablet
 Source: xAd and Telmetrics, "2014 Mobile Path to Purchase: The New Shopper Mindset" conducted by Nielsen, June 3, 2014

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Google has long understood the importance of local information in search and introduced a local inventory ad in fall 2013. When consumers search for a product on mobile, Google is now likely to send them to a local store that has the product in-store rather than to a mobile commerce product page. Google's biggest challenge at this point is getting accurate real-time inventory data from retailers. As more companies adopt real-time inventory tracking, aided by modern point-of-sale (POS) systems and digital tagging, notably with radio frequency identification (RFID) tags, this data should become more accessible.

For more information on local inventory ads, read eMarketer's July 2014 report, "[Product Listing Ads: Google Dives into Comparison Shopping.](#)"

ENTERPRISE MOBILE ON THE RISE

As mobile user experiences evolve to deliver more timely information, consumers are beginning to trust their devices more than they do sales associates. In a November 2013 Deloitte survey, about half of US internet users said they preferred to rely on their own device for price and product information, compared with only 20% who preferred a sales associate.

Preferred Source of In-Store Assistance According to US Internet Users, by Shopping Activity, Nov 2013 % of total

	Own device	Unmanned device (kiosk, digital display)	Sales associate
Look up item price	59%	24%	17%
Get product information	52%	28%	20%
Check item availability	51%	27%	22%
Checkout/make a payment	48%	28%	24%
Navigate to an item	47%	33%	20%

Source: Deloitte, "The New Digital Divide," April 15, 2014

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There are times, however, when a sales associate is preferable. In a September 2014 American Express survey of 1,000 US internet users, respondents indicated that they prefer to handle the simple inquiries on their own but would like help on the hardest inquiries. Some 48% said they'd rather speak to a real person on a phone for a difficult inquiry, compared with 14% for a simple inquiry. The same survey also found that 74% spend more money with brands that have historically given them good customer service, while 60% abandoned a purchase in 2014 as a result of poor customer service.

Preferred Channel for Making Simple vs. Difficult Customer Service Inquiries According to US Internet Users, Sep 2014

% of respondents

	Simple	Difficult
Company website or email	36%	10%
Speaking with a real person on the phone	14%	48%
Telephone automated voice-response system	12%	5%
Face-to-face	9%	24%
Online chat/instant messaging	9%	4%
Smartphone app	9%	3%
Text message	6%	2%
Social network	5%	3%

Note: ages 18+; numbers may not add up to 100% due to rounding
Source: American Express, "2014 Global Customer Service Barometer" conducted by eBiquity, Oct 28, 2014

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Retailers have started to supply their sales associates with phones and tablets with powerful clienteling apps and modern POS systems in order to improve the customer service experience in stores. These systems enable personalized in-store service at scale by letting associates connect to the central CRM systems with information on past purchases or customer wish lists.

Just as importantly, these digital interfaces can address a major HR challenge for retailers: finding quality sales associates. "We've been able to take the expertise of the A associate [the expert], and give this selling experience via mobile device to the new associates—what we would call B, C or D associates," BRP's Morris said. "We were able to do that through this guided-selling approach. ... It's a win for the retailer and it's a win for the customer."

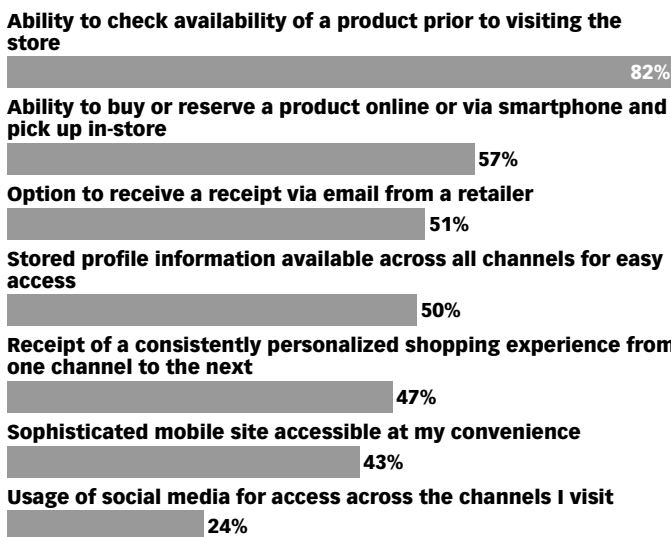
CONSUMERS WANT FLEXIBILITY

With customers not thinking in terms of offline and online, many retailers are giving their customers flexibility in purchasing, fulfillment and returns. There are a variety of new formulations, some nascent, such as payment on delivery, others approaching mainstream, such as pickup in-store.

"One of the things we're always trying to do at Barnes & Noble is serve our customers in ways in which they want to be served, in ways in which they'd like to consume content," Carey said. "We're used to, in the book world, dealing with not just channels but formats. So the point is, we want to mix and match those channels and formats so that we can find the right customer experience where someone's going to go, 'Oh, that's perfect. That's exactly how I would like it presented to me, because that's exactly how I would like to consume the experience.'"

These flexible arrangements portend the future because they match consumer preferences. In a September 2014 survey from the e-tailing group, 82% of US digital shoppers indicated that knowing the availability of a product before going to a store was the most or somewhat important to them. The ability to buy online and pick up in stores ranked second, at 57%.

Important Omnichannel Retail Capabilities According to US Digital Shoppers, Sep 2014
 % of respondents



Note: most/somewhat important
 Source: the e-tailing group, "Holiday 2014 Omni-Channel Gift Behavior" sponsored by MarketLive, Oct 9, 2014

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"Omnichannel is going to be managed by the consumer," EngageSimply's Shapiro said. "The consumer is going to take a much more active role in telling retailers and brands what they're interested in and when."

Adding flexibility can have a direct effect on sales, especially in fulfillment. A big trend this year is the rise of in-store pickup, which, for example, accounts for 10% of Target's online sales, according to the retailer.

A study by the International Council of Shopping Centers (ICSC) titled "Shopping Centers: America's First and Foremost Marketplace," determined that a siloed ecommerce platform netted roughly 77% of the initial sale price after returns and additional purchases were factored in. In contrast, online sales for in-store pickup netted 107% of the initial sale after returns and additional purchases. The reason? People tend to buy additional items once they arrive at the store. For the initial pickup, customers buy additional products valued at 12% of the original purchase; for the 23% of products that get returned, they order an additional 18%, which nets to 107%.

DATA UNDERPINS OMNICHANNEL

Omnichannel starts with a management commitment to eliminating silos, but it runs on the free flow of data. Inventory visibility and variable fulfillment depend on it, but the effect permeates all aspects of retailing. While RFID tagging and software that link together databases lack the appeal of beacons and visual search, they're the type of investments that have a fundamental impact on the consumer experience by giving shoppers the flexibility and service that they want.

"The most important component [for unified commerce] is ... a middleware layer—a piece of software that connects the dots," Morris said. "Retailers aren't going to throw their legacy applications away, they're not going to throw their investments away, but what they have to do is link it all in real time."

Unified databases enable more powerful analytics, which have an impact on the bottom line. In June 2014, McKinsey reported a 10% growth rate in earnings of big-box stores with unified analytics, compared with a 2% growth rate in otherwise similar competitors without them. For grocers, the split was 11% vs. 3%.

The next frontier in analytics is creating a unified view of the customer across platforms. By linking several identities to a single shopper, retailers can get a far more complete picture of the individual and their shopping preferences and can deliver far more targeted messages, both online and offline. "Conversations are shifting in digital from billions of impressions to thousands of quality impressions," Shapiro said.

The limited ability of cookies on mobile has hampered efforts to link online and offline identities, but that's beginning to change. First, there are improved cross-platform tracking options, such as Facebook's recently re-released Atlas ad server, which enables cross-device identity at mass scale and shows real promise for linking those identities to individuals in-store.

For more information on cross-channel tracking and targeting, read eMarketer's December 2014 report, **"Cross-Device Targeting: Success Hinges on Device Identification Methods."**

Retailers can avoid contracting out this cross-platform tracking by having customers self-identify themselves with an email address at payment, or more reliably through a loyalty program sign-in. "In the big data world, retailers are relying on second-party and third-party data, and they are struggling to pay for that and get the results that they want," Combs said. "They are going to try to figure out how they can get more first-party data."

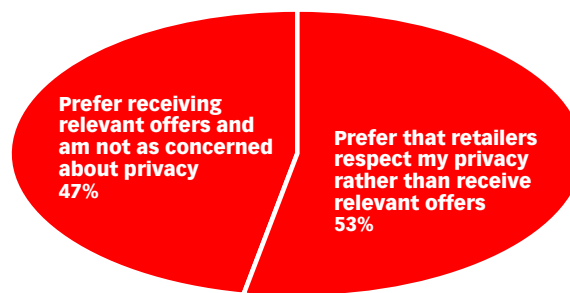
Although loyalty programs for most retailers will only cover a small percentage of their customers, these are the most important ones. "Twenty percent of the people provide 80% of the sales," said Morris, repeating a marketing truism. "To be able to identify that 20% of the top customers in real time—and take care of them, give them extraordinary service—is really the key."

PERSONALIZATION WORKS IN TANDEM WITH TRUST

As retailers begin to merge identities across platforms in order to provide more personalized service, they face an additional hazard. In a December 2013 study from the International Data Corporation (IDC), slightly more than half of US consumers said they preferred their privacy over receiving more relevant offers. This may especially be true of the new clienteling apps that enable personalized in-store service. Nothing brings home the realization that anonymity is gone more than an unfamiliar store associate who knows your past browsing activity.

Attitudes of US Consumers Toward Receiving Personalized Retail Offers vs. Having Their Privacy Respected, Dec 2013

% of total



Source: International Data Corporation (IDC), "Business Strategy: Green Lights and Bright Red Lines - Relevancy and Privacy Challenges for 2014," May 5, 2014

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More recent data from Pew Research Center appears to back up consumer skittishness about too much data-diving by marketers. Only 41% of mobile internet users agreed that online services are more efficient because of more access to personal data. Non-users were even less accepting: Only 29% felt the same.

US Mobile Internet Users vs. Non-users Who Agree that Online Services Are More Efficient due to Increased Access to Personal Data, Jan 2014

% of respondents



Note: ages 18+; "strongly agree" or "agree"

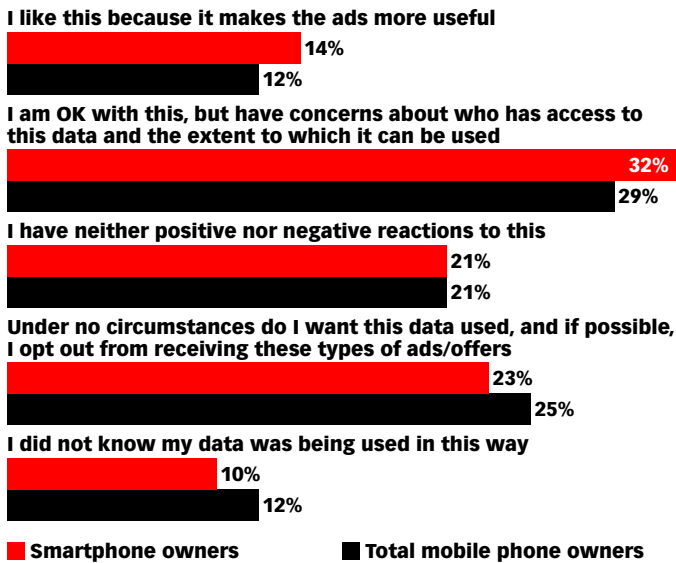
Source: Pew Research Center, "Public Perceptions of Privacy and Security in the Post-Snowden Era" conducted by GfK, Nov 12, 2014

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Even so, the Placecast/Harris study showed that only about a quarter of consumers object to the use of personal data in all circumstances. Most have an implicit understanding that loyalty programs are an exchange of data for discounts. "If someone is already part of your loyalty program, I think that person is going to be much more open and receptive to much more personalized information than someone who's more of an anonymous guest," Point Inside's McMurray said.

Primary Attitude Toward Companies that Use Online Search/Purchase Data to Customize Ads Among US Smartphone vs. Total Mobile Phone Owners, Oct 2014
% of respondents



Note: n=1,832 ages 18+; numbers may not add up to 100% due to rounding
Source: Placecast, "Trends on Mobile Use This Holiday Season" conducted by Harris Poll, Nov 26, 2014

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For more information on privacy in retail, read eMarketer's June 2014 report, "[Privacy and Security Post-Heartbleed: Making Shoppers Feel Safer.](#)"

For marketers, the lesson is clear: They have to learn to balance the desire for relevant and efficient service with the need to protect privacy, and they both hinge on transparency. "If consumers are going to start to do this effectively and they're going to start trusting more and building stronger relationships with retailers, then it can't be hidden, it can't be a surprise," said Dave Wentker, CEO of Tapcentive, which makes in-location engagement networks and devices.

CONCLUSION

Omnichannel is becoming so fundamental to retail that it's meaningless to have a separate discussion about it. It touches every aspect of retailing, from merchandising to marketing to fulfillment.

A half century ago, Yogi Berra responded to a question whether he still visited a popular restaurant by saying, "Nobody goes there anymore because it's too crowded." In a sense, that's what will happen to omnichannel discussions. No retailer will think of omnichannel in separate terms. It will be intrinsic and implicit to all aspects of retail. The bigger question is how consumers will continue to evolve in their shopping behaviors.

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Partner and Co-Founder
Boston Retail Partners
Interview conducted on November 13, 2014

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Judy Shapiro
CEO
EngageSimply
Interview conducted on November 17, 2014

Applying Attribution to Omnichannel Marketing

Eddie Combs
Former Senior Vice President of Marketing
Guitar Center
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Jaime Carey
Chief Merchandising Officer
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Andy Dunn
CEO
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Jennifer Fleiss
Co-Founder and Head, Business Development
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Interview conducted on October 1, 2014



Mike McMurray
Vice President, Business Operations
Point Inside
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Rob Murphy
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Adam Pellegrini
Vice President, Digital Health
Walgreens
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Dave Wentker
CEO
Tapcentive
Interview conducted on October 6, 2014

Omri Bloch
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Bounce Exchange
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