

The State of Mobile Commerce in the North American Fashion Industry



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Introduction

It's an energizing time in the realm of fashion eCommerce. While retail goliaths keep command of traditional brick-and-mortar sales, they've yet to crack the code on how to effectively imitate the online fashion shopping experience to similar success. Simultaneously, many retail showcases are encountering a direct-to-shopper renaissance over various classes, including style. Numerous new brands are embracing an "online first" attitude to address expanding shoppers' preferences for customized encounters empowered by an ever-expanding promoting innovation scene.

According to McKinsey & Company, annual consumption in emerging markets [will reach \\$30 trillion](#), marking "the biggest growth opportunity in the history of capitalism." This leaves a lot of room for new fashion brands to penetrate the market in

the next 3-5 years. These trends create a golden opportunity for fashion retailers to build long-term, 1-to-1 direct relationships with consumers.

To take advantage of this market opportunity, however, fashion brands must address the elephant in the room: their websites' mobile speeds.



1 Transitioning from E-Commerce to Mobile Commerce

Mobile commerce (mCommerce) involves shopping through a mobile device (typically a smartphone), while eCommerce is done online through a computer. The popularity of smartphones has made it easier than ever for customers to research products and make purchases with ease. By 2021, mobile retail commerce will account for nearly [73% of all eCommerce sales worldwide](#), increasing from 52.4% in 2016.

Many retailers, however, have not updated their mobile commerce strategy to keep up with their customers. Businesses need to become mobile-first brands by delivering app-like experiences on mobile websites. To be a successful retailer in 2020 centers on [improving customer engagement and increasing conversions](#), both of which are needed from any mobile commerce initiative.



2 Mobile Commerce Market Share and Size

The United States remains a hotbed for eCommerce and retail sales activity. The U.S. Department of Commerce reported that consumers [spent almost \\$602 billion](#) online in 2019, while total retail sales approached nearly \$3.8 trillion. In the coming years, mCommerce will become a larger portion of total U.S. retail sales, further cementing its place as a necessity rather than a luxury among successful brands.

Other research also points to the rising tide of mCommerce's momentum. BI Intelligence, Business Insider's premium research service, conducted research that suggests mCommerce [will reach \\$284 billion](#), or 45% of the total U.S. eCommerce market, by the end of 2020.

Business Insider Intelligence predicts mCommerce volume to rise at a 25.5% compound annual growth rate (CAGR) from 2019 to hit \$488.0 billion, or 44%

of the total U.S. eCommerce market, in 2024. So what is driving this rapid growth? There are two key devices accelerating the mCommerce revolution: smartphones and tablets.



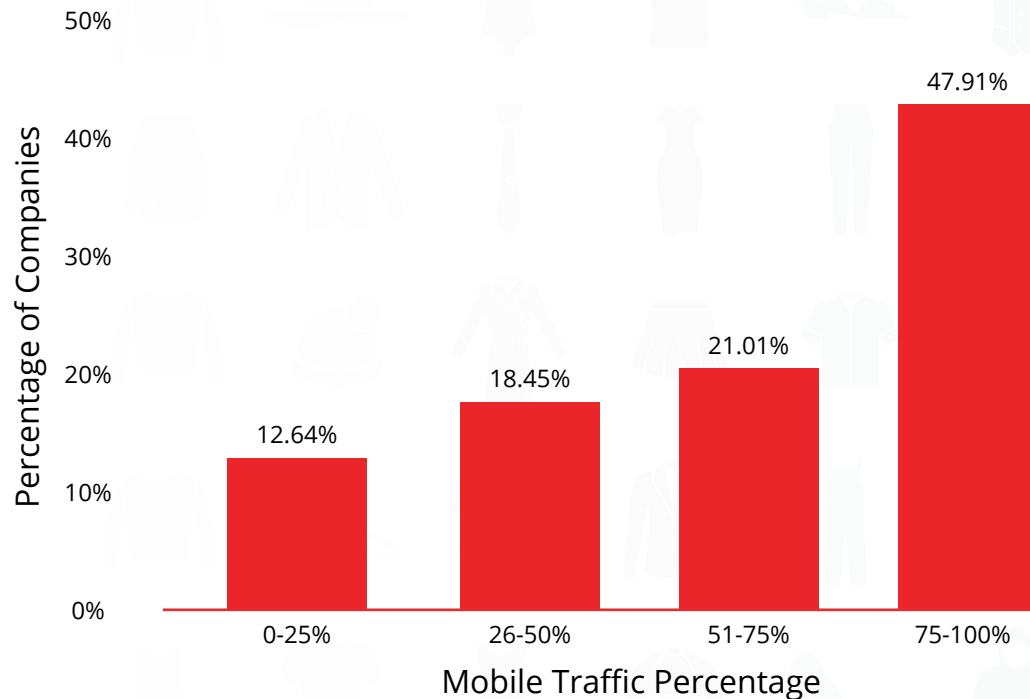
3 Our Research

To help fashion eCommerce companies capture mCommerce opportunities, we analyzed granular insights from 1,480 eCommerce sites across a wide cross-section of growth-stage online stores within the fashion industry. This set of merchants is composed of fashion eCommerce sites who are based out of the North American region. The data has been collected using various tools such as [Lighthouse](#), [SEMrush](#), and Test My Site Feature of [Think with Google](#). This is what we discovered...



4 Mobile Traffic

Fashion eCommerce websites are no exception to Google's "[Mobile First](#)" principle. The percentage of mobile traffic on the website of each fashion company is derived from the Traffic Analytics report on SEMrush tool.



Out of 1,480 companies analyzed in this study, 21.01% (311 companies) have 51% to 75% of traffic coming from mobile devices, while 47.91% (709 companies) have 76% to 100% traffic coming from mobile devices.

Thus, on an average, 68.92% (21.01% + 47.91%) of the websites analyzed have 51% to 100% traffic coming from mobile devices.

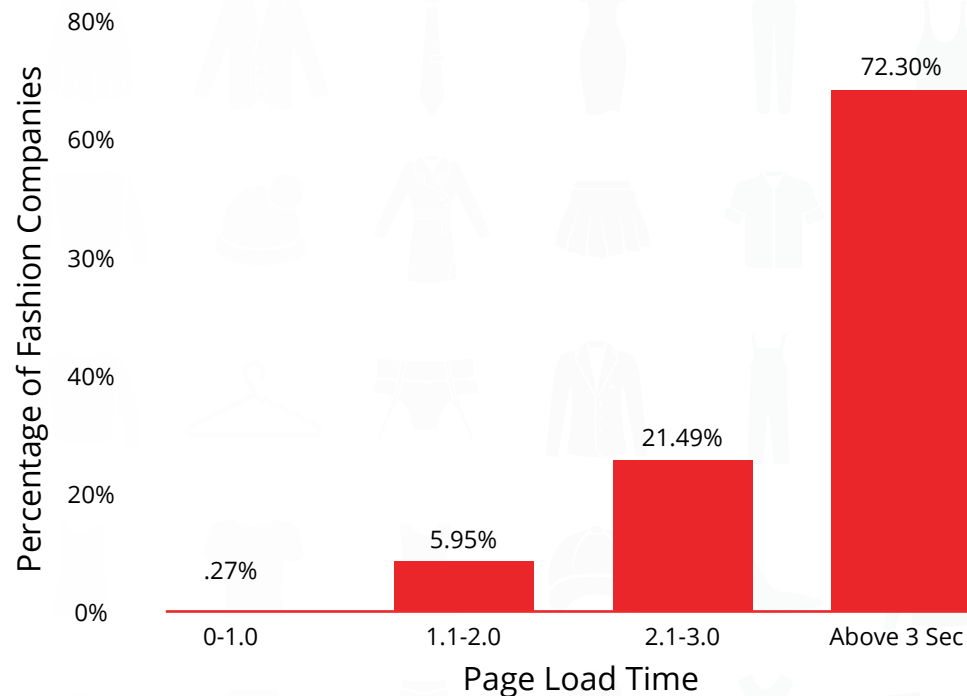
U.S. fashion retailers should not consider mobile as secondary in their marketing strategies; it must be their priority. Although the majority of today's online retail conversions happen on the desktop, if companies are experiencing significant mobile traffic, they can decrease their overall customer acquisition cost (CAC) if they can increase conversions through mobile channels.

Expert Advice: Start leveraging ultrafast and engaging mobile commerce tools that increase your mobile traffic and improve mobile commerce sales.



5 Homepage Load Time

Homepage load time refers to measuring the page load time i.e the downloading and displaying time of the home page when the user clicks to open the website. According to Google, an ideal website page load time should be [between 1-3 seconds](#). The page load time of the mobile website of each fashion company is derived from the Test My Site Feature of [Think with Google](#).



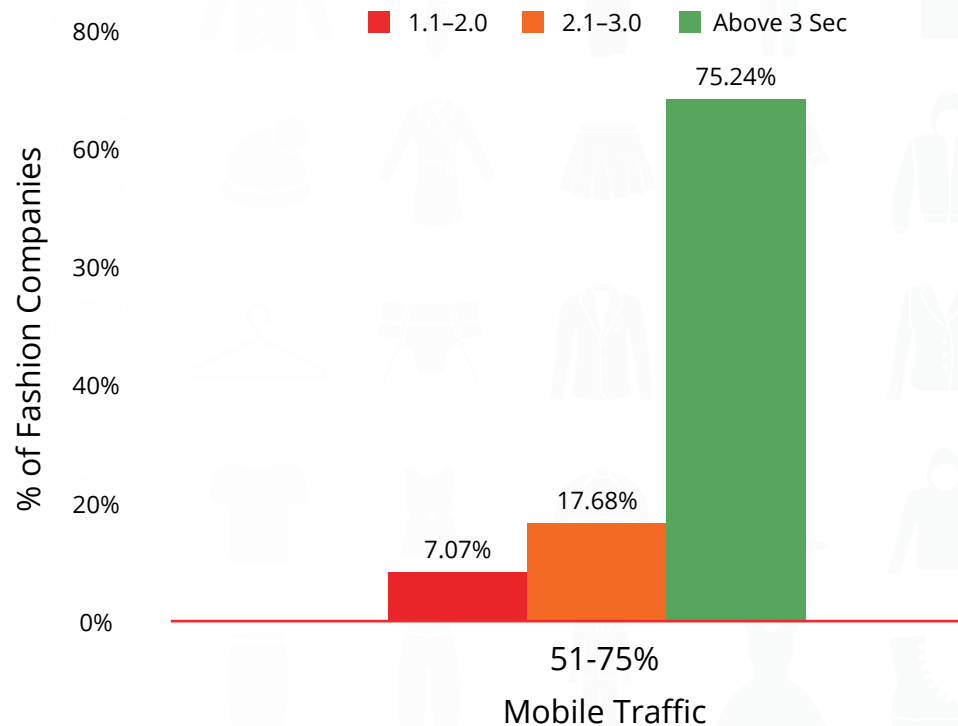
Of the 1,480 companies analyzed in this study, 1,070 businesses have homepage load times exceeding 3 seconds. The average load time for all brands included in this analysis stands at 4.23 seconds. These businesses need to improve their homepage load times to support the customer journey, and that starts on the homepage. If consumers' first impression of your brand is a slow, unresponsive website, this could greatly impact the user experience (UX) and future conversions.

Expert Advice: Reduce your page load time and improve your UX.

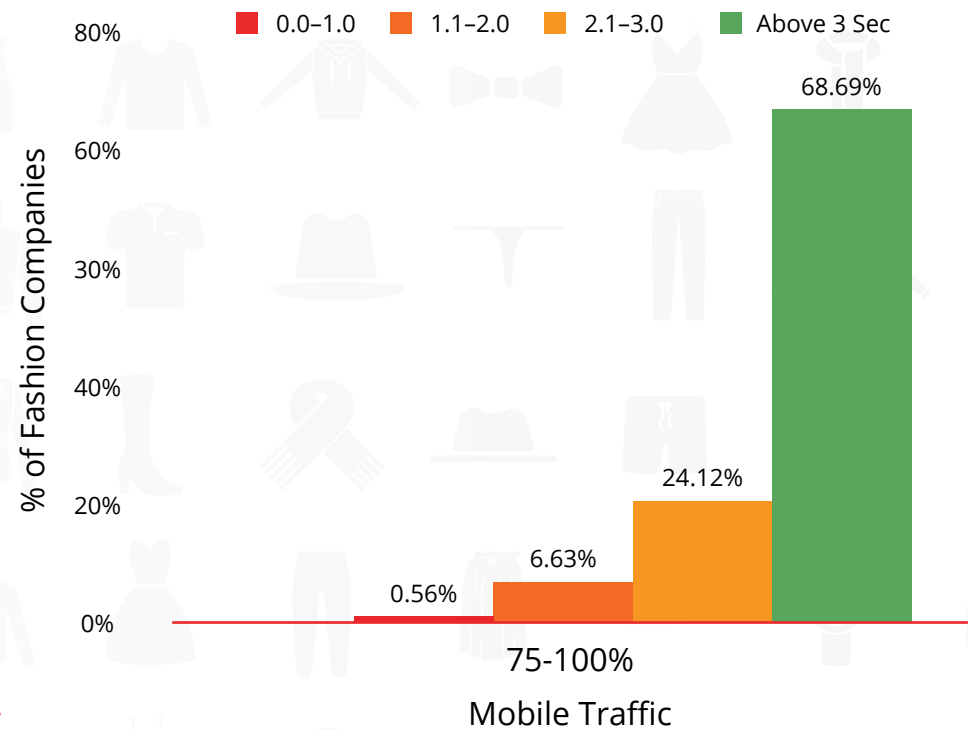


6 Mobile Traffic Compared to Homepage Load Time

Given the popularity of smartphones and tablets, fashion retailers must ensure customers have a smooth experience on their mobile devices. Again, this puts great emphasis on homepage load times to ensure customers do not abandon the sites altogether due to sluggish experiences. So how do the companies included in this secret shopper study stack up?



We discovered that 21.01%, or 311 companies, have websites that receive 51-75% of their traffic from mobile devices. When evaluating their homepage load times, we found that 75.24% (234 of the brands) have homepage load times above the 3-second benchmark.



6 Diving deeper into our analysis, we also discovered that 47.91% (709 companies in total) generate 75-100% of their website traffic from mobile devices. Of these brands, 68.69% of businesses have homepage load times above the 3-second benchmark.

Cumulatively, of the 1,480 companies included in the study, 68.92% (1,020 businesses) are generating 51-100% of their traffic from mobile devices, yet just 29.31% of these brands have homepages that load in less than 3 seconds. The remaining companies (721 or 70.69%) have homepage load times that exceed this benchmark. These brands have mobile-first customers who demand a smooth experience on their mobile devices, but their current sites are not accommodating these preferences. These companies are in danger of losing sales due to increased bounces without any completed transactions.



As page load time goes from:

1s to 3s the probability of bounce **increases 32%**



1s to 5s the probability of bounce **increases 90%**



1s to 6s the probability of bounce **increases 106%**

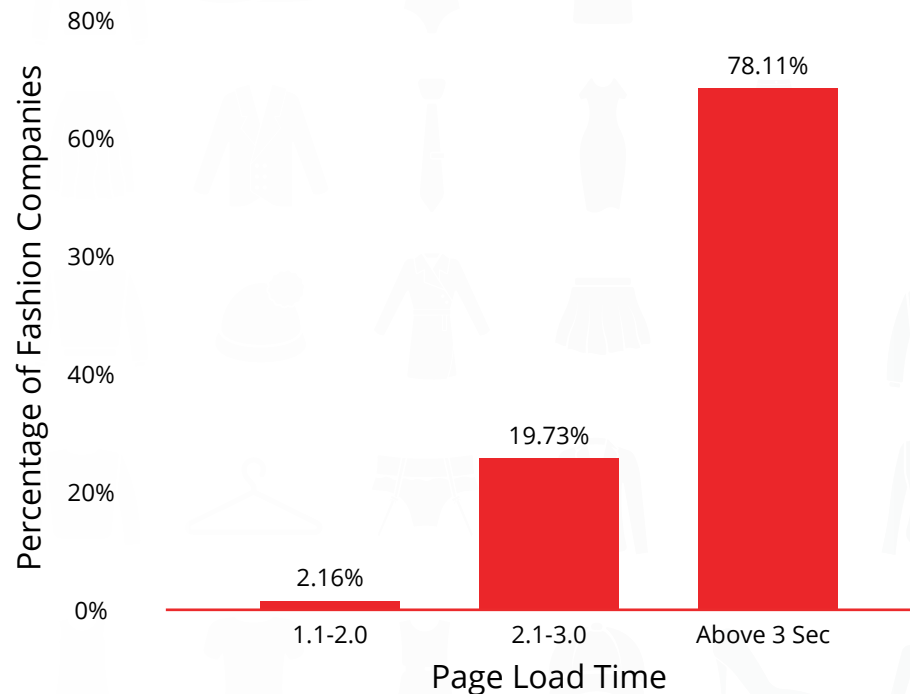


1s to 10s the probability of bounce **increases 123%**



7 Product Page Load Time

Once customers are exploring a website, the accompanying product pages must also perform up to industry standards to ensure businesses maximize conversion rates. Unfortunately, brands are struggling to deliver smooth user experiences on their product pages.



Of the 1,480 brands included in the study, 78.11% (1,156 companies) have websites with product page load times above 3 seconds. Just 125 businesses out of 1,156 have product page load times below 3 seconds. The overall product page load time for all businesses included in this analysis was 4.41 seconds.

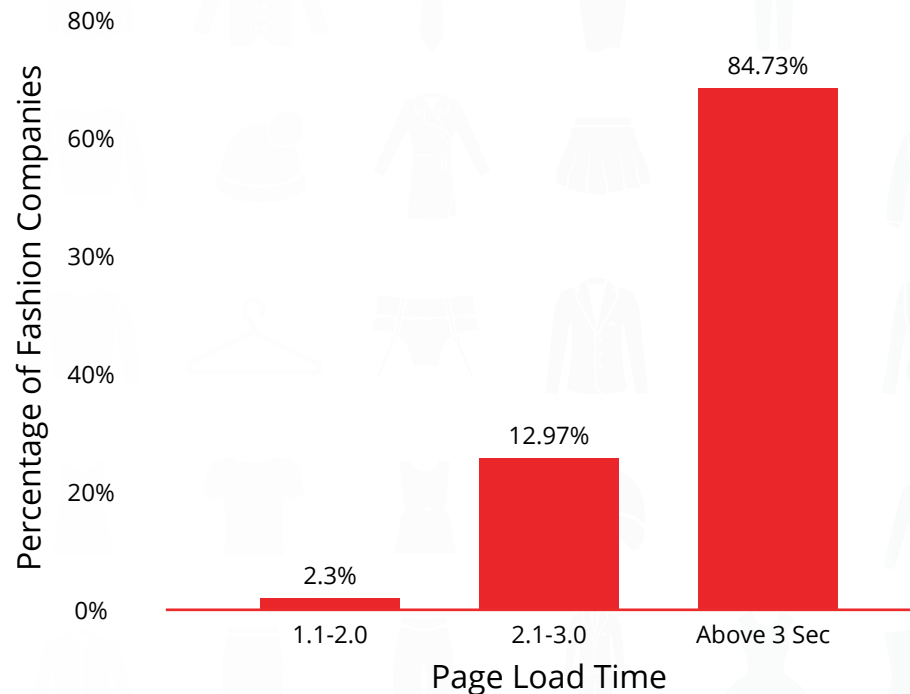
Given that the majority of these brands run paid ads that direct customers to their product pages, load times exceeding 3 seconds could cause consumers to abandon these pages altogether. Brands must ensure the customer experience is not negatively impacted by slow load times. Otherwise, they may lose their purchasing intent altogether.



8 Checkout Page Load Time

When customers are ready to purchase an item, the last hurdle retailers must overcome is the checkout process. If the checkout pages are slow and unresponsive, consumers may take their business elsewhere, defeating the entire purpose of what a website is designed to support: the customer journey. Unfortunately, fashion retailers by and large are not following best practice when it comes to load time.

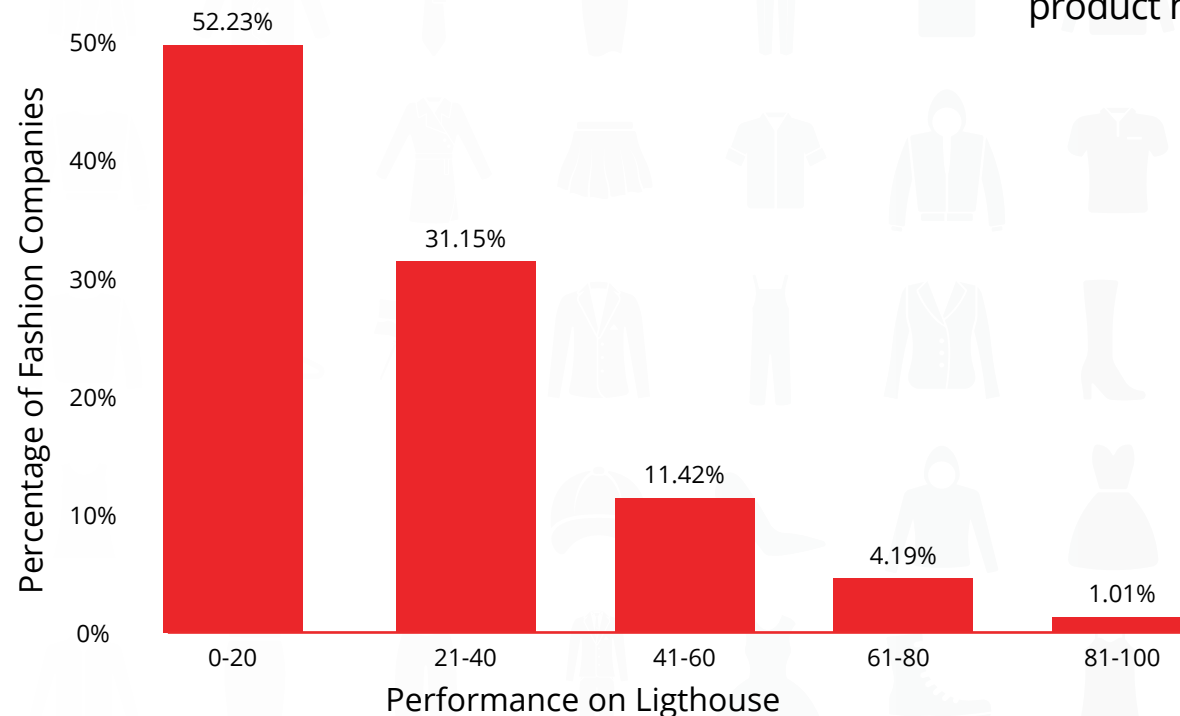
A vast majority of fashion companies (84.73% out of 1,480 total businesses) have checkout page load times above 3 seconds. Out of these 1,254 brands, only 185 retailers have checkout page load times below 3 seconds. The overall checkout page load time for all 1,480 brands was 4.81 seconds, far below industry best practices.



9 Lighthouse Performance

We used Lighthouse to identify fashion retailers' [website performance](#). According to Google, a score of 0 to 49 is considered poor, a score of 50 to 89 needs improvement, and 90 to 100 is good. In the analysis below, performance refers to the download and display speeds of the web pages on the users' web browser.

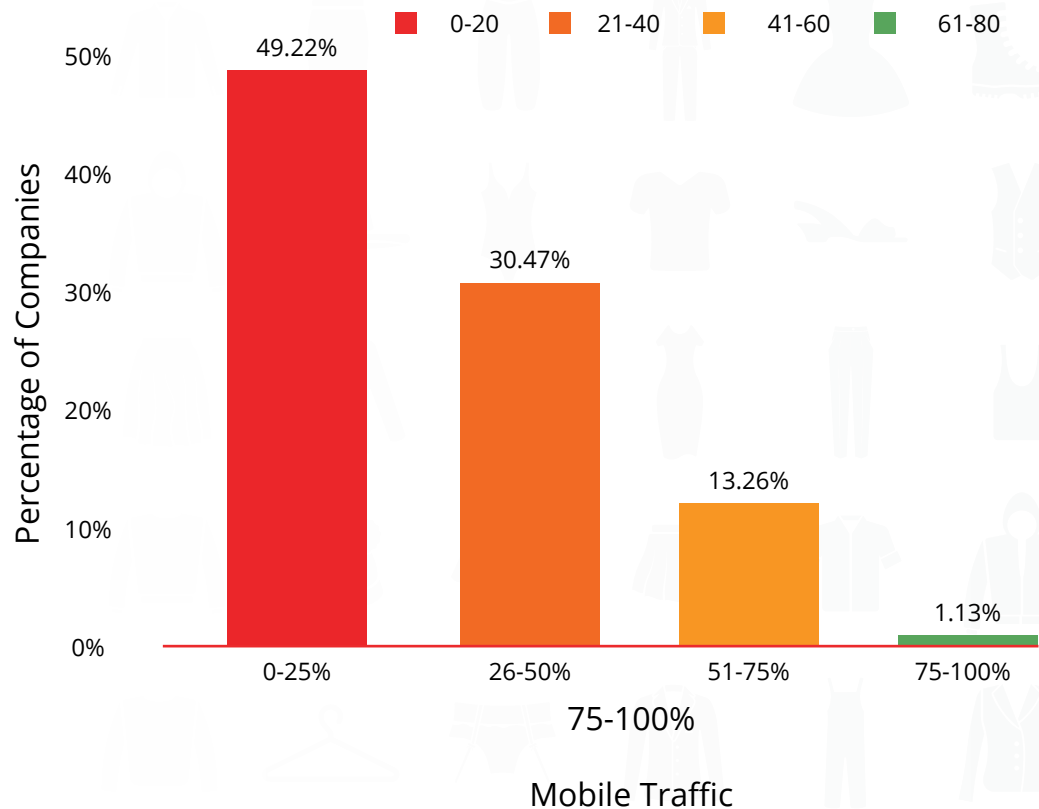
Performance Distribution by Frequency



Of the 1,480 retailers we analyzed, More than 90% of companies' websites score very poorly or moderate (i.e. 0-80 score) for Performance Accessibility on Lighthouse. Only 1.01% of the brands' websites (i.e. 15 out of 1,480 sites) have excellent performance. By increasing your website's performance, you're able to deliver a faster end-user experience and keep the customer engaged with your site, without causing any delays between the customer and the product he/she is looking for.



10 Performance on Lighthouse and Mobile Traffic



Hotwax also compared fashion retailers' websites' mobile traffic with the Performance data generated by the Lighthouse tool and obtained the following results:

Out of the 1,480 brands analyzed, 47.91% (709) of the websites have 75-100% traffic from Mobile channels. Out of these brands, 49.22% (349 out of 709) of companies scored a 0-20 for Performance on Lighthouse, and only 1.13% (8 out of 709) had a 81-100 score on Performance.

We can see that even after so many companies have more than 75% of the traffic coming from mobile devices, the performance of the majority of these websites are way below industry average. These businesses are losing out on conversions because of such a low performance score on mobile.



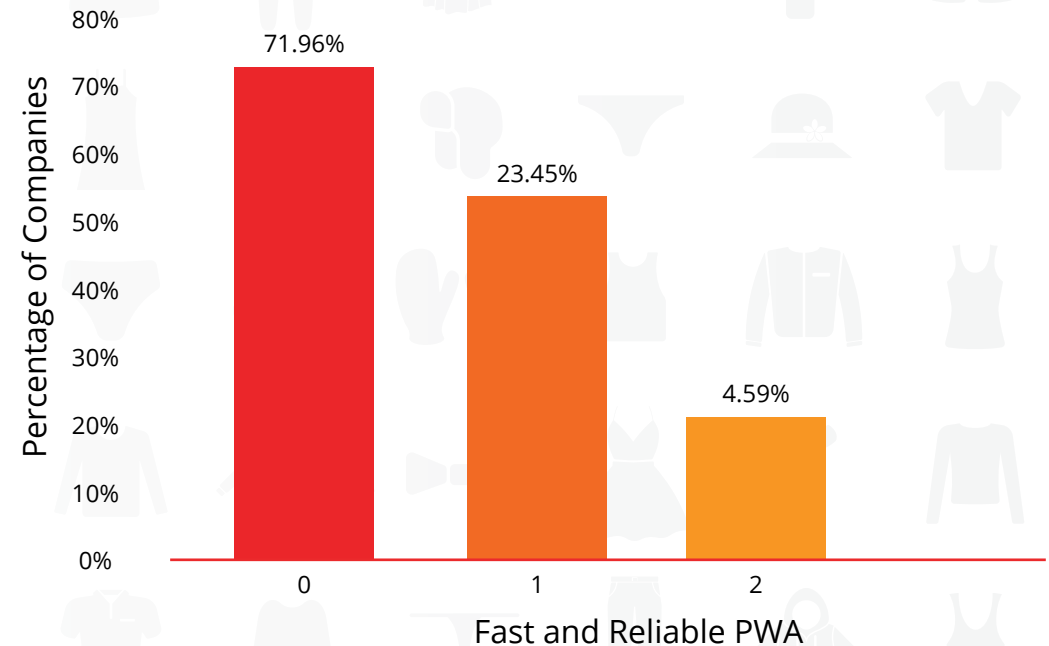
11 PWA 'Fast & Reliable' On Lighthouse

We also looked at these retailers' websites from speed and reliability perspectives. The following criteria are covered under Fast & Reliable Progressive Web App (PWA):

- [Page load](#) is not fast enough on mobile networks.
- The [current page](#) does not respond with a 200 when offline.
- The [start_url](#) does not respond with a 200 when offline.

The general idea is that a PWA meets the expectations of mobile users who demand the app be easy to use no matter what the external circumstances. But to qualify as a PWA, the application must meet most (75% compliance is required) of the points in the [PWA checklist](#).

PWA 'Fast and Reliable' Performance Distribution by Frequency



Cumulatively out of 1,480 companies we analysed, we found that the majority of the websites 71.96% (1,065) score extremely poor for Fast & Reliable PWA on Lighthouse.



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They did not even fulfill one of the above criterias. Whereas 23.45% (347 out of 1,480 company websites) fulfilled 1 criteria and 4.59% (68 out of 1,480 websites) fulfilled 2 criterias. None of them fulfilled all the criterias, especially "Page load is fast enough on mobile networks."

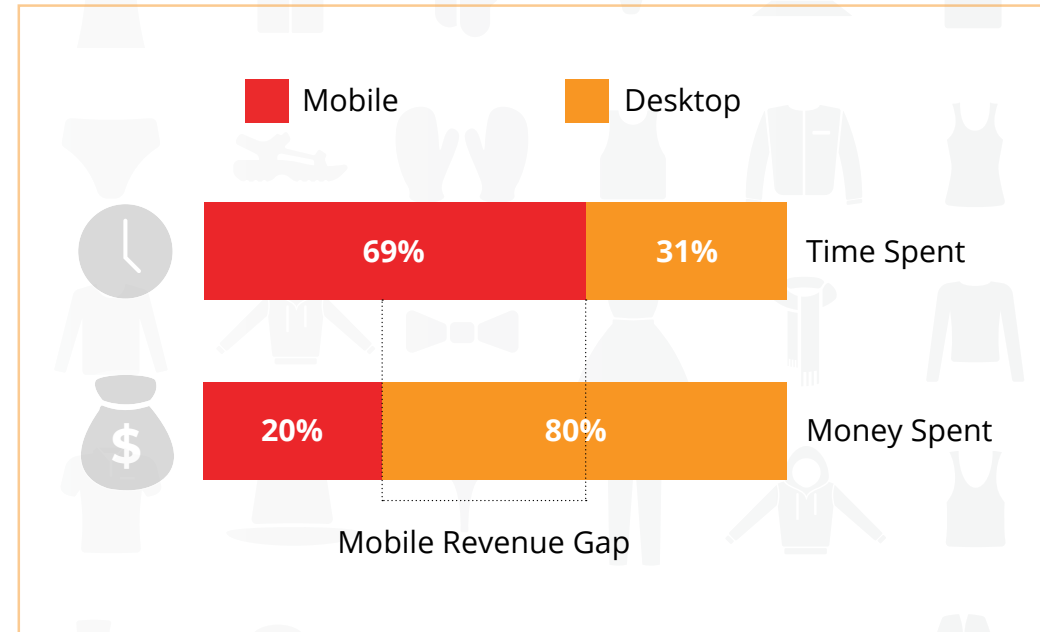
Expert Advice: Implement a PWA to improve your mobile performance, reduce page load time, improve conversion rates, and increase your revenue.



12 What is PWA and Why PWA is it Important?

Retailers with sluggish websites are losing customers at the last minute just when they are ready to complete a transaction. If these retailers do not address these issues, their customer acquisition cost will continue to rise, as shoppers abandon their purchases if the checkout time takes too long to finish.

A Vue Storefront Mobile Commerce study detailed the delta between mobile traffic and mobile conversions. The analysis indicated that 69% of people spend their time browsing on mobile devices, compared to 31% who do the same on desktop computers. However, 80% of all purchases still occur through desktop channels. Companies are struggling to close this “mobile gap” because their sites are poor in terms of key metrics such as Time to Interact, UX consistency, and overall web speed.



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So what can businesses do to avoid these mobile-related challenges moving forward? Many brands are already investing in improving their websites' mobile speeds and are reaping the rewards. One of the businesses included in this study conducted an audit of their site and [devised an action plan](#) to address the problems head-on. The end result was a 20% reduction in overall page load time and a 10% increase in customer conversions.

In a mobile-first world dominated by smartphones and tablets, fashion brands must always be ahead of the curve to keep pace with changing customer preferences. Mobile speed is a necessity for any fashion retailer, no questions asked. Businesses looking for effective ways to boost their website speeds across the board can take advantage of progressive web apps (PWAs), which are the [future of eCommerce](#).

PWAs are websites with all the benefits of mobile apps and so much more. They are mobile apps delivered through the web, enabling retailers to deliver a faster, more engaging version of their eCommerce websites to their customers. PWAs enable fashion brands to:

- Take advantage of instant load time.
- Respond quickly to user interactions with silky-smooth animations and no janky scrolling.
- Deliver immersive web experiences that feel like a native app installed on their mobile devices.
- Increase organic search traffic.
- Increase conversion rate.



Fashion brands throughout North America have a lot of work to do to improve their mobile speed. Luckily, PWAs can guide these businesses and help them achieve the speeds they need to attract and convert customers. Learn more about PWA's full potential by contacting HotWax Commerce today.

CONTACT US

