



# THE EVOLUTION OF COMMERCE THROUGH CONSUMER BEHAVIOR

## WHY DO RETAILERS NEED TO EVOLVE?

### Average Time Spent Per Day with Major Media (hours)

MEDIA	2011	2015
Laptop/PC	2.3	2.2
Tablet/Mobile	<b>0.5</b>	<b>2.5</b>
TV	4.3	4.2
Radio	1.3	1.3
Print	0.4	0.2

### U.S. Adult Major Media Users (millions of people)

MEDIA	2011	2015
TV	234	236
Radio	220	<b>225</b>
Mobile	209	<b>225</b>
Internet	188	211
Print	162	131
Tablet	29	128

### Daily Percent of Time Spent on Mobile Devices (internet usage only)

USAGE	PHONE	TABLET
Mobile Web	19%	24%
In App	81%	76%

U.S. consumers are spending less time with traditional media and more time with digital media.

For the first time ever, the number of U.S. adult mobile users now equals the total number of radio listeners.

Tablet users in 2014 spent a larger percentage of time on mobile websites than smartphone users.

## HOW CAN RETAILERS EVOLVE?

### Ad Spending Share (by percentage)

MEDIA	2011	2015
Laptop/PC	21%	17%
Tablet/Mobile	<b>7%</b>	<b>17%</b>
TV	42%	39%
Radio	10%	9%
Print	20%	18%

### Per Hour U.S. Ad Spending for U.S. Adults Reached (in cents)\*

MEDIA	2011	2015
Laptop/PC	12	<b>12</b>
Tablet/Mobile	2	11
TV	15	18
Radio	11	12
Print	56	<b>99</b>

\*Example: A \$1 million magazine ad reaches 990,000 adult consumers = 99 cents per adult reached

### Time Spent per Day with Video (U.S. adults, hours)

MEDIA	2011	2015
Digital Video	0.35	1.27
TV	4.58	4.25

Spend more on mobile ads - this is the only advertising segment to receive an increase in the share of ad spending across all media channels.

Optimize the ROI of ad spending as consumers are interacting with print media less often yet ad prices have increased.

Create more video content as consumers are spending less time watching TV and more time interacting with digital video.



# WHO CAN HELP RETAILERS EVOLVE ?

Retailers are looking for support outside of their organizations for an array of reasons...

## Top Third-Party Support Requests to Assist Retailers

REQUEST	% of RETAILERS
Digital Marketing Strategy	35%
Improving Overall Products/Services	32%
Leveraging Big Data and Web Analytics	32%
Meeting Customer Expectations	31%
Multi-Channel Strategy	30%

With the increased usage of smartphone and tablets, retailers are looking to improve upon their adaptable commerce platforms. These platforms can take retail experiences to the next level.

- Currently only **28%** of retailers utilize a homegrown solution supported by their internal IT staff for their commerce site(s)
- **58%** of retailers now use web-based “on-demand” software (SaaS) for their commerce sites
- Commerce platform technology spending is projected to **increase from \$1.2 billion in 2014 to \$2.1 billion in 2019**
- Retailers are projected to replatform, change, or update their commerce platform **every five to six years**

CFOs plan to invest in IT systems and technology more than any other area of their business in 2015 (28% of retail CFOs listed this as their top area of spending this year). eCommerce and the mobile channel came in second with 22%. A significant portion of these technology investments are geared towards data security and fraud protection.

## WE HELP RETAILERS EVOLVE WHILE MAINTAINING THEIR UNIQUE IDENTITY THROUGH COMMERCE WITHOUT COMPROMISE

From strategy and design to platform development and support, PFSweb creates **Commerce Without Compromise** by merging its customizable solutions together to form branded online shopping experiences across all channels. We do this while maintaining the unique identity of a retailer, a core principle of our agency and technology professionals.



### AGENCY SERVICES

Strategy, design, user experience, creative, search, email, analytics, and more

### TECHNOLOGY SERVICES

eCommerce development, platform support, quality assurance, and training

### INFRASTRUCTURE SERVICES

Order fulfillment, customer care, and financial services

### TECHNOLOGY ECOSYSTEM

eCommerce technology, omni-channel order management, and product content management

Sources: eMarketer, Forrester, BDO USA