2018 US Mobile Consumer Report
Our Findings

According to the 2018 Vibes US Mobile Consumer Report, people are defaulting to mobile more than ever before to engage with brands—from shopping via mobile wallet to receiving personalized messages to activating customer support via chatbots.

For this year’s report, we surveyed 1,000 U.S. smartphone owners to understand the most compelling trends in mobile usage so digital marketers can create the mobile experiences today’s consumers expect from brands.

Through our findings we found that customers want to use mobile to engage with brands, but they expect even more personalization and specialized incentives to stay engaged.

Marketers should continue to invest in mobile marketing strategies such as promotions, loyalty and new messaging apps as these are steadily growing in adoption and popularity.

We invite you to read these important consumer insights so you can quickly apply these learnings as you continue down your mobile marketing journey.
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Mobile Messaging & Chatbots

WHAT YOU’LL LEARN

1. Consumers expect value from brand messaging, such as incentives, offers and loyalty rewards
2. Don’t bombard consumers with un-targeted/irrelevant messages
3. Messaging is the answer to app overload
4. Perceptions of chatbots and why consumers like them
Let’s Make A Deal

Smartphone owners enjoy mobile messaging and push notifications, and find them useful and helpful. **61% subscribe to mobile messaging** because of incentives or coupons, and 55% because of loyalty rewards points. Females are especially interested in incentives (67%). Millennials are also driven to subscribe by exclusive content (35%) and store news (29%).

**Gender differences also exist in the type of content**—males are more interested in hospitality and entertainment messaging, while females are more interested in retailer messaging.

**Brands should consider the primary benefit of mobile messaging to be coupons & customer rewards**, but also offer information, sneak peeks and news. Recruit consumers to opt-in through websites, at point of purchase either online or in-store, or through an email advertisement.
REASON FOR SUBSCRIBING TO MOBILE MESSAGES

- **61%** Incentives or coupons (i.e., special sale promotions and deals)
- **55%** Loyalty (i.e., rewards points)
- **42%** Informational or product updates (flight notifications, account balances, shipment information)
- **26%** Store news and events (i.e., information about new store locations, special events being held at select stores, etc.)
- **22%** Exclusive content (i.e., sneak peeks of new products or deals, etc.)
- **15%** Not applicable (I don’t subscribe to any)
**WHERE ARE CONSUMERS MOST LIKELY TO OPT-IN**

- **Online web form**
  
  - Males: 31%
  
  - Females: 59%
  
  where I can enter my mobile number

- **At the point of purchase, either online or in-store**
  
  - Males: 40%
  
  - Females: 32%

- **Email advertisement**
  
  - Males: 27%
  
  - Females: 36%
  
  telling me to sign in

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**Males**

- Males are more likely to opt-in to messaging from:
  
  - hotels / airlines / hospitality companies: 31%
  
  - media / entertainment: 27%

**Females**

- Females are more likely to opt-in to messaging from:
  
  - retailers / restaurants / brands: 59%
Most consumers have between 2-9 brand/retail apps (62%). **Younger consumers are trending towards less brand apps**, with 45% of millennials having 2-4 brand apps.

While not having brand loyalty is the most common reason for not downloading an app overall, this is significantly more common among Males (47%): Females are more likely to be deterred by memory usage (25%).
NUMBER OF RETAIL OR BRAND APPS ON MOBILE DEVICE*

- None: 15%
- 1: 7%
- 2 to 4: 38%
- 5 to 9: 24%
- 10 to 19: 10%
- 20+: 5%

REASON FOR NOT DOWNLOADING RETAILER OR BRAND APP*

- There are no brands that I am that loyal to: 35%
- I have security concerns: 21%
- Retail/brand apps take up too much memory on my smartphone: 19%
- I’d rather use a mobile website: 18%
- Retail/brand apps are not helpful: 8%
- Retail/brand apps are hard to use: 5%

*Numbers do not add up to 100% because respondents selected all applicable answers
Instant Messaging Platforms
Not Yet Widely Used

Smartphone owners do not have a strong interest in using instant messaging apps to message with brands. Over half (51%) say they are not interested.

However, this may change as time goes on—the youngest consumers are significantly more likely to be interested in using messaging to communicate with brands via all apps.

Among messaging apps, Facebook dominates. Consumers are most interested in engaging with brands through Facebook Messenger. About a quarter are interested in Snapchat and a minority of 8% are interested in WhatsApp—owned by Facebook.

*Numbers do not add up to 100% because respondents selected all applicable answers*
Too Much Of A Good Thing

Even though consumers like mobile messaging, they have their limits. The most common reason smartphone owners unsubscribe to mobile messaging is because brands send too many messages. The second most common reason for unsubscribes is due to irrelevant information sent to consumers.

Females are especially likely to unsubscribe after being overloaded by messages (61% compared to 49% of males). For most smartphone owners, daily messaging is too much and will drive them to unsubscribe.

Marketers should consider limiting push notifications and mobile messages to a few times a week, and personalize messages so it’s more relevant to the customer.

REASONS TO UNSUBSCRIBE*

- Too many messages or updates: 57%
- The information wasn’t relevant to me (i.e., I live in Boston, sales in LA stores do not matter to me): 44%
- I no longer care about this brand or company: 33%
- The coupons or incentives were not good enough: 33%

NUMBER OF MESSAGES THAT IS “TOO MANY”

- 32% More than two per day
- 27% One per day

*Numbers do not add up to 100% because respondents selected all applicable answers.
Chatbots Save Time And Simplify

Chatbots use automation and artificial intelligence to mimic conversations with people and assist in customer service, password resets, shipment updates and commerce.

Awareness and usage of chatbots remains low—only 29% have used one, with millennials being the group most likely to have engaged with a chatbot. Smartphone owners are mixed on comfort level in communicating with a chatbot. Half say they would be comfortable, half say they would not. Millennials and GenXers continue to be more open to new technologies and are more likely to feel comfortable than baby boomers.

Thinking of how chatbots could benefit them, a faster or easier way to get information are the top reasons to use the technology.
**Benefits of Communicating with a Chatbot**

- **38%** A faster way to get information
- **19%** I can easily find information I’m looking for
- **11%** It feels less intrusive
- **6%** It feels more natural to me
- **45%** None of the above

**Numbers do not add up to 100% because respondents selected all applicable answers**
Mobile Loyalty & Mobile Wallet

WHAT YOU’LL LEARN

1. Why millennials want to go digital

2. How personalization, incentives and organization attract consumers

3. The need to inform older consumers on security of mobile wallets

TRY IT! TEXT ALE TO 84237*

Msg&data rates may apply. T&Cs & Privacy.
Consumers Want Digital Access

Consumers want loyalty cards to be on their phones—69% are interested in making their loyalty cards digital, and the majority of those interested in digital loyalty programs would use their cards more if they had a digital option.

When it comes to digital coupons, even more consumers want to go digital—78% say it would be more convenient than print.

Females (81%) and millennials (89%) are the most likely to find digital coupons to be the most convenient way to shop. Brands should offer digital options to drive shopping and engagement.

Younger generations—millennials and GenXers—are the most interested in digital loyalty cards, indicating this trend will continue to grow in the future.

Mobile wallets such as Apple Wallet and Google Pay put brands in the pockets of consumers via digital loyalty cards and coupons, which can receive personalized updates and notifications to interact with consumers when it matters most.

### Interest in Saving Loyalty Cards to Phone

- **69% Yes**
- **31% No**

### Digital Coupons More Convenient Than Print

- **78% Yes**
- **22% No**
Make It Personal

Personalization is even more important than in previous years. **87% say they would save personalized mobile wallet content** compared to 66% in the 2017 Mobile Consumer Report.

This trend will likely continue as the younger generations of millennials and GenXers expect this personalization and are more likely to say they would save personalized content.

Hi Sarah, next coffee is on us!
Likely To Save Personalized Mobile Wallet Content

2017: 66%
2018: 87%
Deals Drive Usage

Smartphone users are most interested in mobile wallets if they know they would get the best promotions and offers through the wallet. Millennials and GenXers are most likely to be motivated by deals.

Smartphone users like to be organized, so they see that as being a mobile wallet benefit.

**Drivers to Trying Mobile Wallet**

- **30%** If I knew I would get better promotions and offers
- **27%** If it would make my life easier by organizing things like offers/coupons, loyalty cards, airline boarding passes, etc.
- **15%** If I was given a tutorial
- **13%** If I thought it would enhance my experience with my favorite brands & companies
- **10%** If I could get important informational updates (e.g. flight delayed, balance alerts, shipment confirmation, etc.)
- **9%** If I knew I would get targeted and relevant offers based on my past purchase history and location
Younger Consumers Are Open To Mobile Wallet, While Older Consumers Have Security Worries

The top barrier to using mobile wallet is security concerns, indicating the need to educate and inform consumers on the safety and convenience of this method for storing deals/offers/loyalty cards and making payments. However, with younger generations being more comfortable with new technologies, they are more likely to adopt emerging technologies at a faster pace.

Baby boomers, conversely, are more likely to be worried about security (65%) and can benefit from education on the safety of mobile wallet.
Barriers To Using Mobile Wallet*

- 59% I have security concerns about mobile wallet
- 6% I did not know my phone had a mobile wallet
- 19% Most stores I frequent do not offer this form of payment
- 12% I do not know how to access mobile wallets
- 7% I do not know what mobile wallets are
- 17% I do not know where mobile wallets are accepted

*Numbers do not add up to 100% because respondents selected all applicable answers
Privacy & Personal Data

WHAT YOU’LL LEARN

1. What information consumers are ready to share

2. Generational differences in privacy concerns

Personalization is a Must-Have

Today’s hyper-connected consumers have not only embraced mobile, but fully expect personalized offerings and contextual services when they need and want them.

Read This Report
Younger Consumers are More Willing to Give Information to Brands

The majority (78%) of consumers are willing to give out some type of information to brands to get access to personalized products or incentives. They are most willing to give anonymous information—with responses to a survey being most common (50%). However, almost as many (45%) are willing to give their phone number.

Millennials are significantly more likely to be willing to give responses to a survey (56%), their phone number (54%), social media handles (19%) and calendar access (12%).
Users Are Willing To Give Information To Get Personalized Product & Sales Information

<table>
<thead>
<tr>
<th>Information Provided</th>
<th>Percentage</th>
</tr>
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<tbody>
<tr>
<td>Response to a survey</td>
<td>50%</td>
</tr>
<tr>
<td>My mobile phone number</td>
<td>45%</td>
</tr>
<tr>
<td>My physical location</td>
<td>28%</td>
</tr>
<tr>
<td>My social media handles</td>
<td>11%</td>
</tr>
<tr>
<td>Access to my calendar</td>
<td>7%</td>
</tr>
<tr>
<td>None of the above</td>
<td>22%</td>
</tr>
</tbody>
</table>

*Numbers do not add up to 100% because respondents selected all applicable answers*
Personalization is more important than ever—nearly 100% of consumers say they would save content to their mobile wallet if it was tailored to them.

Retailer, restaurant and brand apps remain the most commonly downloaded type of app. Consumers will delete them if they are unused or take up too much storage.

Consumers find mobile messaging useful, and are enticed by value-based communications (like incentives and rewards). They will unsubscribe if they receive too many messages, however.

Use of new messaging apps, like Facebook Messenger is steadily growing, but not yet widely used for brand engagement.

Promotions are the #1 driver for consumers to use their mobile wallet. Consumers are ready to go digital with coupons and loyalty cards—particularly among millennials. Feelings about mobile wallets remain mixed, although younger consumers are most willing to try them.
How to Get Started

Mobile is not a stand-alone channel. It’s what connects each part of your brand’s ecosystem. This renaissance of messaging shows no signs of slowing down.
Consumer Engagement Drives Revenue

If you’re thinking of starting or expanding a mobile program, our enterprise-grade mobile engagement platform is one-stop shopping. Vibes’ Mobile Engagement Platform helps you drive engagement and your bottom line through SMS campaigns, mobile wallet ads, push notifications and loyalty cards. Visit www.vibes.com to learn more about how we can help your brand hit its mobile marketing goals.

or schedule a demo with us >
Methodology

Vibes partnered with CITE Research (www.citeresearch.com) to conduct an online survey among 1,000 U.S. smartphone owners. Research explored how smartphone owners are using their mobile devices to engage with brands. Fieldwork conducted March, 2018.

SAMPLE

Total n=1,000
Smartphone owners (iPhone, Android, Windows, etc.).
Ages 18+
US Residents

Answers of “not applicable” are not depicted in the graphs, and all percentages are rounded. In some cases, respondents were permitted to choose all that apply. As a result, total shown responses may not add up to 100.
About Vibes enables marketers to deliver compelling and profitable mobile engagement conversations. The Vibes Mobile Engagement Platform lets marketers easily manage all mobile communication channels including text messaging, push notifications, Apple Wallet, Google Pay, messaging apps, and mobile web campaigns — all through a single interface.

Vibes’ customers include Chipotle, Discover, Lane Bryant, PetSmart, and Allstate. To learn more about Vibes, visit:

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