



Mobile used by nearly half of online furniture shoppers

BY STEPHANIE NICKELL

Smartphones and tablets have changed the way shoppers consume information and perform daily activities. As of June, smartphone ownership hit 172 million; while tablet ownership reached 93 million, a year over year increase of 22% and 36%, respectively. That's according to the latest data from comScore.

Mobile commerce growth is outpacing all e-commerce sales growth. ComScore reports that m-commerce sales increased

47% in the second quarter of this year, compared with the same period last year; while desktop e-commerce grew during the same time frame at a much slower rate, 10%.

Nearly half of online furniture shoppers to FurnitureDealer.net's network of websites came via mobile devices in October. That's a significant increase, 21 percentage points, from just two years ago when mobile traffic on the furniture sites accounted for 26% during the same time.

Online payment processor PayPal reports it processed \$27 billion in mobile payments last year, a 99% increase from the prior year. PayPal's mobile payment volume accounted for 15% of its total volume last year.

In addition to customer convenience, major credit card companies are also looking to enhance security features. Visa, along with Mastercard and American

Express have worked together on new technology called tokenization, where the 16-digit credit card number stays inside the credit card company's server walls. The retailer would get a randomly generated 16-digit token that can't be used at any other retailer.

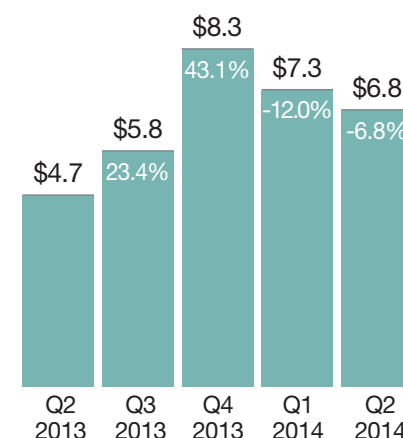
Debit and credit cards are still favored over mobile methods of payment. In a recent study conducted by Citi Retail Services, 35% of responding credit card holders reported using a digital wallet product. Reasons for not using mobile payment methods include lack of trust, needing more education, questioning benefits and product development.

"Retailers across most industries, including home furnishings, have a significant opportunity to integrate their store credit cards and digital payment channels. But, consumer confidence in the security of mobile must grow," says Molly

McCombe, managing director and chief marketing officer of Citi Retail Services.

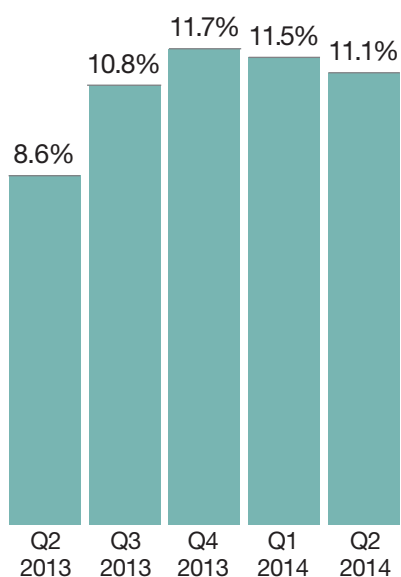
Mobile commerce spending

Total retail, excluding travel, in billions



Source: comScore Inc.

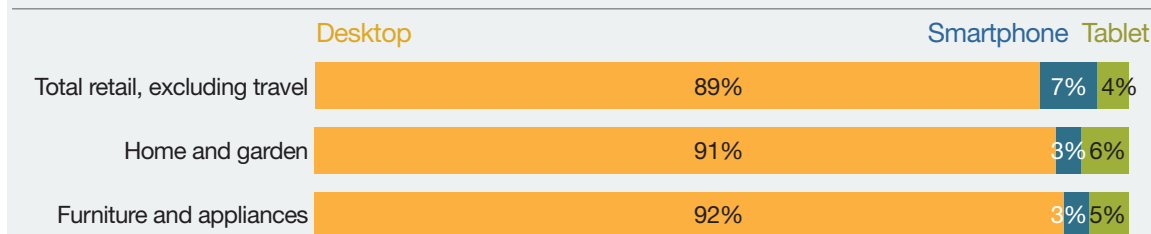
Mobile share of total e-commerce



Source: comScore Inc.

Share of e-commerce spending by category

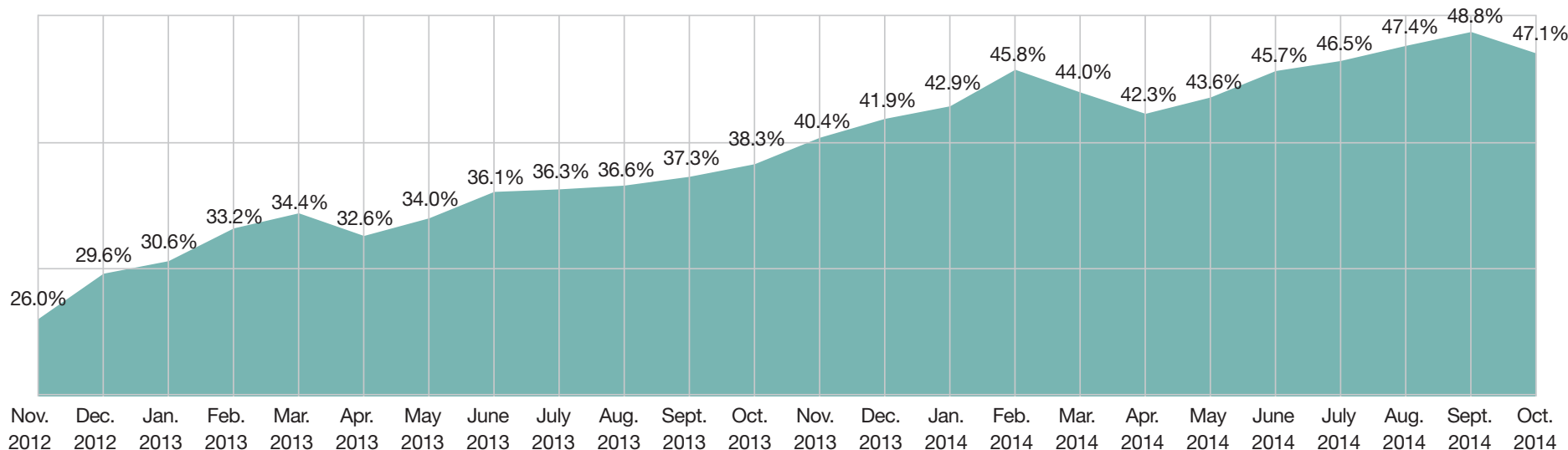
Q1 2014



Source: comScore Inc.

Online traffic via mobile devices continues to grow

Mobile as a % of total traffic to FurnitureDealer.net's network of online furniture sites



Source: FurnitureDealer.net