



## MOBILE PRODUCT RECOMMENDATIONS HEAT UP IN 2010

*ChoiceStream Survey Finds Shoppers Hungry for Guidance on Mobile Devices;  
Social Networks Are a Different Story*

**Cambridge, Mass. — January 20, 2010** [ChoiceStream](#), the premier recommendations service provider for the world's largest brands including [Tesco](#), [Zappos.com](#), [Borders](#), [Blockbuster](#), [Ticketmaster](#) and [AT&T](#), today announced [part one of the findings of its 2009 Personalization Survey](#) to help retailers align their 2010 recommendation strategies with consumer demands. According to the survey, there is a significant opportunity for product recommendations to lift mobile commerce revenue with 65 percent of m-commerce shoppers indicating that they would buy more products from their mobile devices if it were easier to find products on them from trusted retailers. Alternatively, consumers are not as interested in shopping when engaged with social networks. The survey also finds the placement, or location, of product recommendations within an e-commerce site to be a key determinant of whether or not consumers make a purchase, with product detail pages emerging as the clear winner in terms of sales conversion.

"If 2009 taught us anything, it's that smartphones are here to stay and that consumers are starting to see them as a legitimate shopping channel, with 37 percent of users reporting that they used their device to buy merchandise in 2009," said Lori Trahan, vice president of marketing at ChoiceStream. "As smartphones become more pervasive, it's critical that retailers optimize ads and applications for those devices to overcome the challenges posed by small screens. Product recommendations can help retailers meet these challenges by making it faster and easier for shoppers to find the products they want, driving more sales in the process."

The survey found that while m-commerce is a hot spot for recommendations in 2010, social networking is not. Of the respondents who belong to a social networking site, only 8.5 percent report that they have ever made a purchase while on the site. And, only 27 percent indicate any interest in product recommendations from trusted retailers. Based on these results and other market research, retailers are advised to promote their brand experience and offers using social networks but defer significant investment in product recommendations until the market for commerce on those networks matures.



Levels of interest in product recommendations vary not only by channel, but by the placement, or location, of recommendations within retail sites as well. For example, the survey finds that 85 percent of shoppers would find it useful to receive product recommendations on product detail, brand and category pages, while less than half of respondents are interested in receiving product recommendations on an order confirmation page.

The placement of recommendations also has a significant impact on sales. The majority of active online shoppers (those who spent more than \$500 online in the past 6 months) indicate that they have bought something based on a retailer's online product recommendation, but only 16 percent claim to have purchased based on a recommendation in a shopping-related email (e.g., shipping confirmation). The majority of purchases were based on recommendations that appeared on product detail pages (58 percent) or category/brand pages (40%).

"Today's shoppers are so much smarter than they were just a year or two ago. They're relying on product recommendations to make purchase decisions and have clear preferences for where and when they want to see them," said Steve Johnson, founder and CEO of ChoiceStream. "Successful retailers will recognize that and work with their recommendation providers to analyze their business metrics and focus their efforts on the placements and recommendation types that deliver the biggest bang for the buck."

Additional findings from the survey will be released in the coming weeks. For information on ChoiceStream product recommendations and how they help increase revenue for online retailers, [visit our website](#).

### **About the ChoiceStream Personalization Survey**

The ChoiceStream Personalization Survey provides insight into consumers' interest in, and perceptions of, personalization. The survey was first fielded in May, 2004. Each year the Survey is re-evaluated and updated where appropriate to ensure that the survey stays relevant and addresses the current issues of the day.

This year, new questions address the interest in recommendations within various sales channels, the impact of the location of recommendations within e-commerce sites, and how shoppers perceive the quality of recommendations from various retail categories.

The Survey Research Brief will provide detailed findings of the study and will be available in early February.



**About ChoiceStream, Inc.**

[ChoiceStream](#) delivers dynamic, personalized product recommendations and display ads that increase purchases and customer engagement for today's biggest brands, including Zappos, Tesco, Borders, Blockbuster, AT&T, and Ticketmaster. Recently named the company with the "deepest experience" of the 'pure-play' personalization engines" by a leading independent research firm, ChoiceStream enables retailers to put the right content and products in front of the right people at the right time to maximize the value of every interaction with consumers.

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Katie Judd  
Racepoint Group, Inc.  
781-487-4600  
[kjudd@racepointgroup.com](mailto:kjudd@racepointgroup.com)

Lori Trahan  
ChoiceStream, Inc.  
617-498-7856  
[ltrahan@choicestream.com](mailto:ltrahan@choicestream.com)  
[www.choicestream.com](http://www.choicestream.com)

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<sup>i</sup> Compete, Inc., 2009