



The 2023 Mobile Consumer Trends Report

How today's consumer engages with brands
in mobile channels – and how marketers can pivot
to **meet consumers where they are**

Survey courtesy of:



Introduction

Vibes and **Industry Dive's studioID** surveyed a broad range of mobile-centric consumers at the end of the 2022 calendar year with the intention of understanding what their relationship with mobile looks like today, how they interact with brands on their phones, and how often.

Here's what we learned, along with recommendations we have for B2C brands that **want to build stronger relationships with their customers** via effective mobile marketing communications.

Our goal was to understand consumer mobile behaviors to **help guide marketers** on what they need to consider when it comes to successfully integrating mobile into their marketing mix.



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KEY FINDINGS

Trends associated with the following five topics:

1. Incentives & Loyalty Programs
2. Data & Personalization
3. Loyalty Program Engagement
4. Mobile Wallet
5. Consumer Engagement Gap



Mobile drives customer retention over the long term, especially when it's personal.



Consumers demand
personalization.

More than two out of five smartphone users say they are willing to give brands their personal information in order to have a more personalized customer experience.

54 %

Mobile Wallet skews to
the younger consumer –
under the age of 55.

More than half of consumers ages 25-54 say they are either already using or are interested in using Mobile Wallet to store items such as digital offers and loyalty cards.

70 %

Mobile messaging
continues to grow as
a widely-used
marketing channel.

Nearly 70% of consumers have received text messages and mobile app push notifications from a brand on their phones.



When it comes to
shopping, saving money is
back on everyone's minds.

Almost half of consumers say avoiding shipping costs is what would encourage them most to visit a business' physical location.

Incentives and loyalty programs are a great fit for mobile.



Consumer behaviors are sensitive to external factors. We see the state of the economy driving people to **focus more on saving money** than in years past, even to the extent that people will go in-store to save money (especially Millennials).

Consumers are always interested in getting top value for what they pay for. But with the state of the economy and whispers of a recession still looming, more consumers are particularly more interested in activities that will help them get the biggest bang for their buck.

>2 in 5



More than half (**54%**) of mobile users already use or are now planning to use their phones for redeeming store-branded offers and coupons.



Almost one out of five smartphone users **(19%)** who did not use their phones for redeeming store-branded offers and coupons last year **now plan to use their phones** for this activity in the coming year.



As for other activities not done in the past year, one in ten or more smartphone users plan to do these activities in the coming year.

16%

Purchasing a product at a store using Apple Pay, Google Pay or some other form of instant pay

16%

Receiving a text message that will result in a purchase online or in-store

15%

Receiving reward points for purchases

14%

Accessing digital loyalty cards in their mobile wallet

12%

Downloading an app

11%

Showing a boarding pass at the airport

10%

Receiving codes to confirm identity when logging into an account

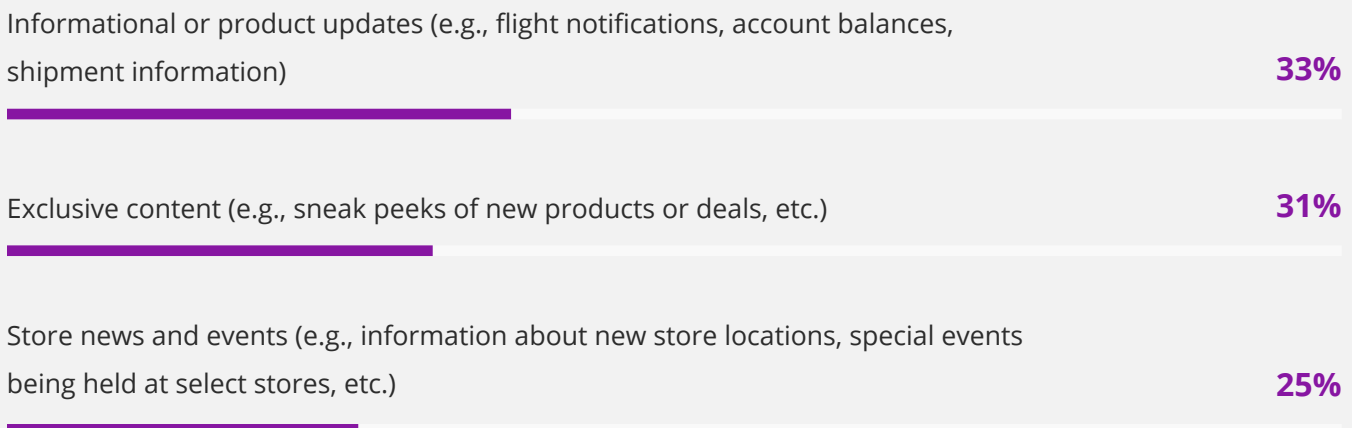
Consumers want to receive coupons and loyalty program benefits.

...so it makes sense that we saw incentives and loyalty program benefits being the strongest motivators for consumers to both turn on a mobile app's push notifications and opt in to receive SMS messages from a brand.

Among consumers who receive push notifications or SMS messages from brands, half say that the main motivations for them are:



Other motivations for turning on a brand's mobile app push notifications and signing up to receive text messages mentioned by smartphone users are:



Don't forget **shipping notifications**.

When it comes to continual mobile communication from a brand, it isn't that different from what made consumers sign up in the first place: once consumers begin receiving push notifications and text messages from a brand, they tend to be interested in a variety of messages, from offers and coupons to informational messages like shipping and delivery updates.



>2 of 5



More than two out of five consumers say the topics they're *most* interested in hearing about from brands through both SMS and push notifications are:



46%

offers/coupons



42%

shipping
and delivery
status



41%

discounts, promotions,
or loyalty points on a
product or service

Consumers want all kinds of messages from brands.

In addition to offers and shipping notifications, other topics of interest to smartphone users are:

32% 

Appointment reminders

22% 

Back-in-stock notifications

46% 

Prescription refill reminders

16% 

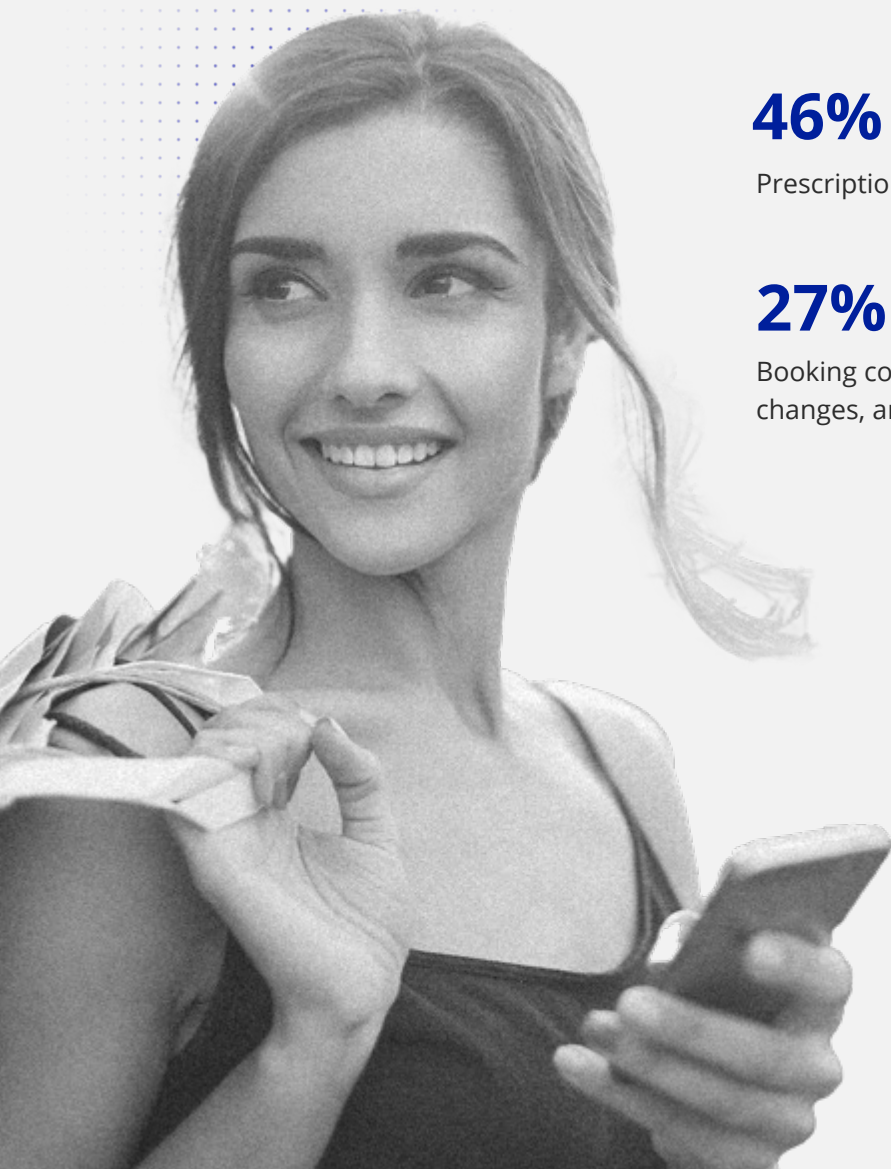
Shopping cart reminders

27% 

Booking confirmations,
changes, and cancellations

14% 

Newly available
appointment notifications



Today's economic environment is driving consumers **back into money-saving mode.**

While in-store events or store-exclusive offers may motivate some consumers to turn on a brand's mobile app push notifications and sign up to receive text messages, almost half of consumers (**42%**) said they would be more encouraged to visit a business' physical location in order to avoid shipping costs.

Top reasons smartphone users would most likely be encouraged to visit a business' physical location are:



Consumers prefer SMS and push notifications because they're **the most convenient ways to communicate with brands.**



SMS messages and push notifications are the preferred communication channels for very similar topics. Why? Because they make it easier and more convenient for the consumer to engage with their favorite brands on their most personal device.

Convenience is a consumer expectation that continues to grow in importance when it comes to interacting with a brand – **52%*** say that half or more of their purchases are influenced by it.

However, convenience is certainly not the only benefit that consumers expect of their favorite brands. Which leads us to our second trend: if a brand wants their customers to become repeat buyers, the purchasing experience **must** be personalized.



Style Inc.

now

Linda, you just earned yourself a new reward! Get the details now available in your mobile wallet

Consumers demand personalization – and they're willing to share their data to get it.

Consumers understand they need to give a little to brands in order to get what they want in return, and they are willing to share personal data in order to receive more personalized product and sales information.

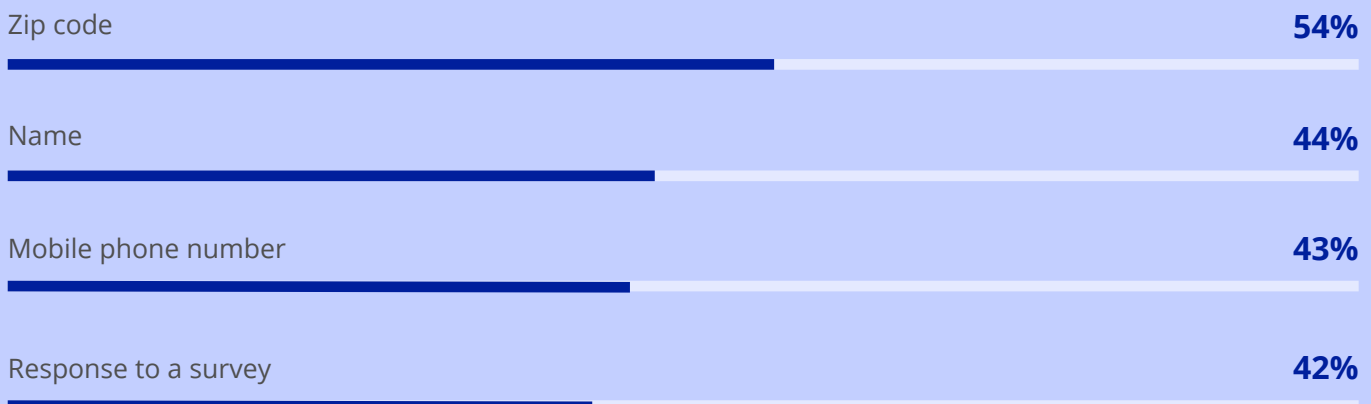
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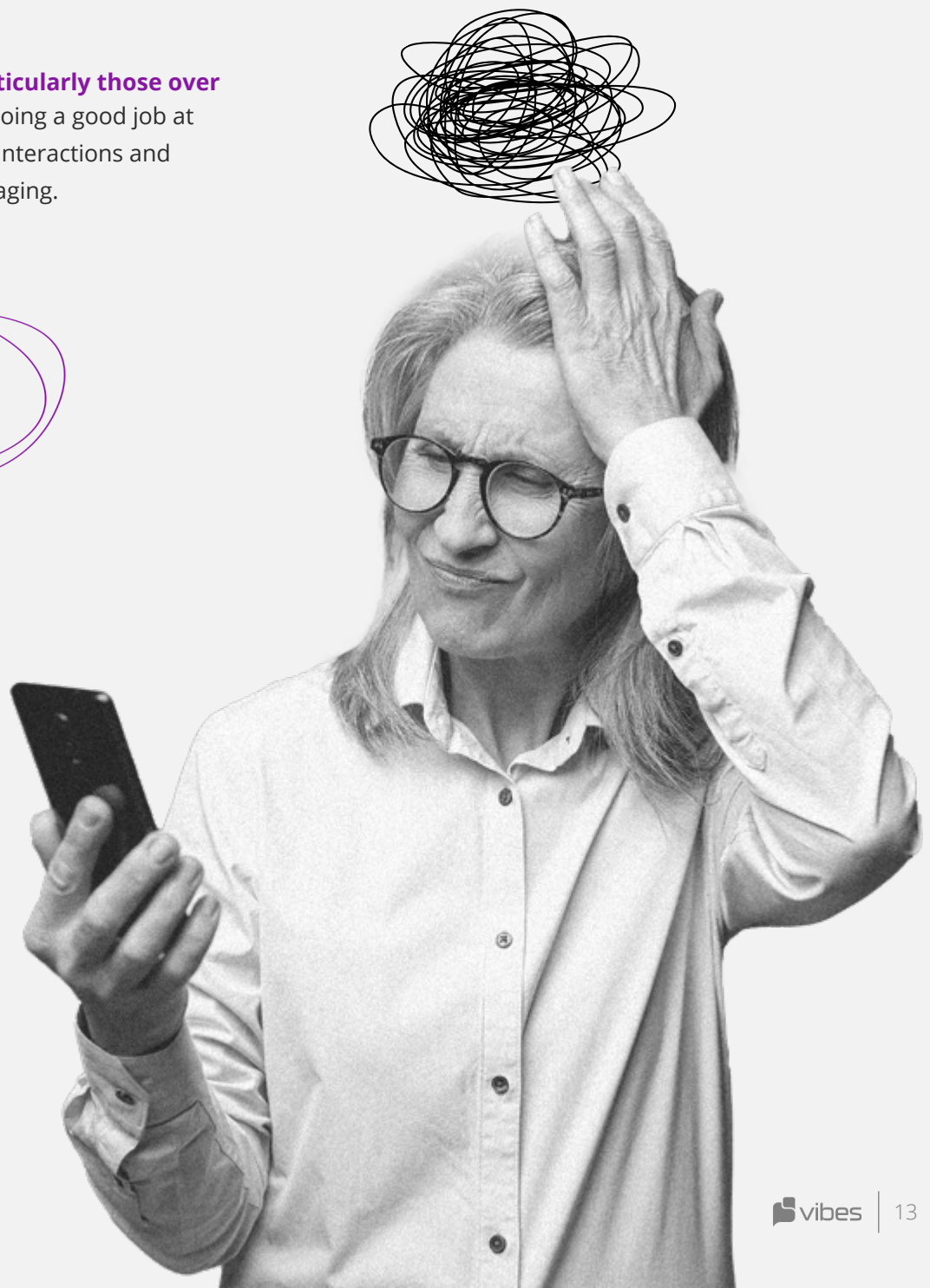
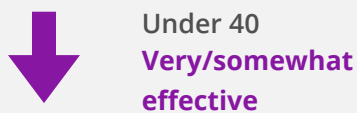
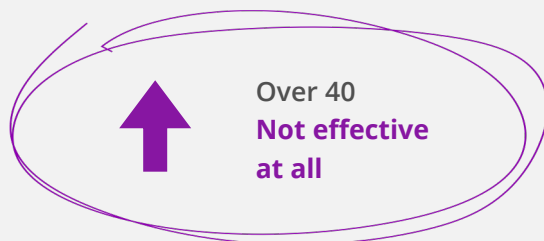


More than two out of five smartphone users say the types of information they are willing to give a brand in order to receive access to more personalized product and sales information are:



Consumers say brands are not personalizing interactions enough.

Yet many smartphone users – **particularly those over age 40** – do not think brands are doing a good job at providing them with personalized interactions and experiences through mobile messaging.



Consumers say that as long as the message is relevant to them, the more messages the better.

We gathered, then, that personalization is the key to building and maintaining healthy relationships with consumers – and we were right. The majority of consumers who receive text messages and push notifications from brands like them as long as the content is relevant – even when sending as many as **one message a day**.


35%

More than a third of smartphone users say the frequency of mobile messages does not matter to them as long as the information is relevant.

Among those who said they like a certain frequency say they prefer getting messages:

 **46%** once a day

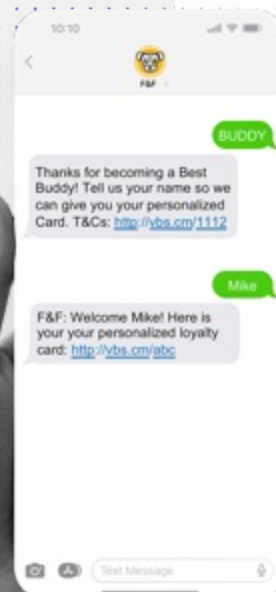
 **16%** once a week

 **11%** once every other day



VIBES EXPERT TIP

Concerned about privacy? The types of collected data – like the data Vibes' customers collect – do not risk facing privacy repercussions because it does not include any third-party data (i.e. data collected by companies that do not have a direct relationship with the consumer).



In fact, **too few messages** will drive some consumers away from brands they like.

28% 

Interestingly, when we broke things down by age group, we learned that **28% of consumers under age 40** cited a frequency of **too few messages** as a reason to stop receiving communication from a brand.

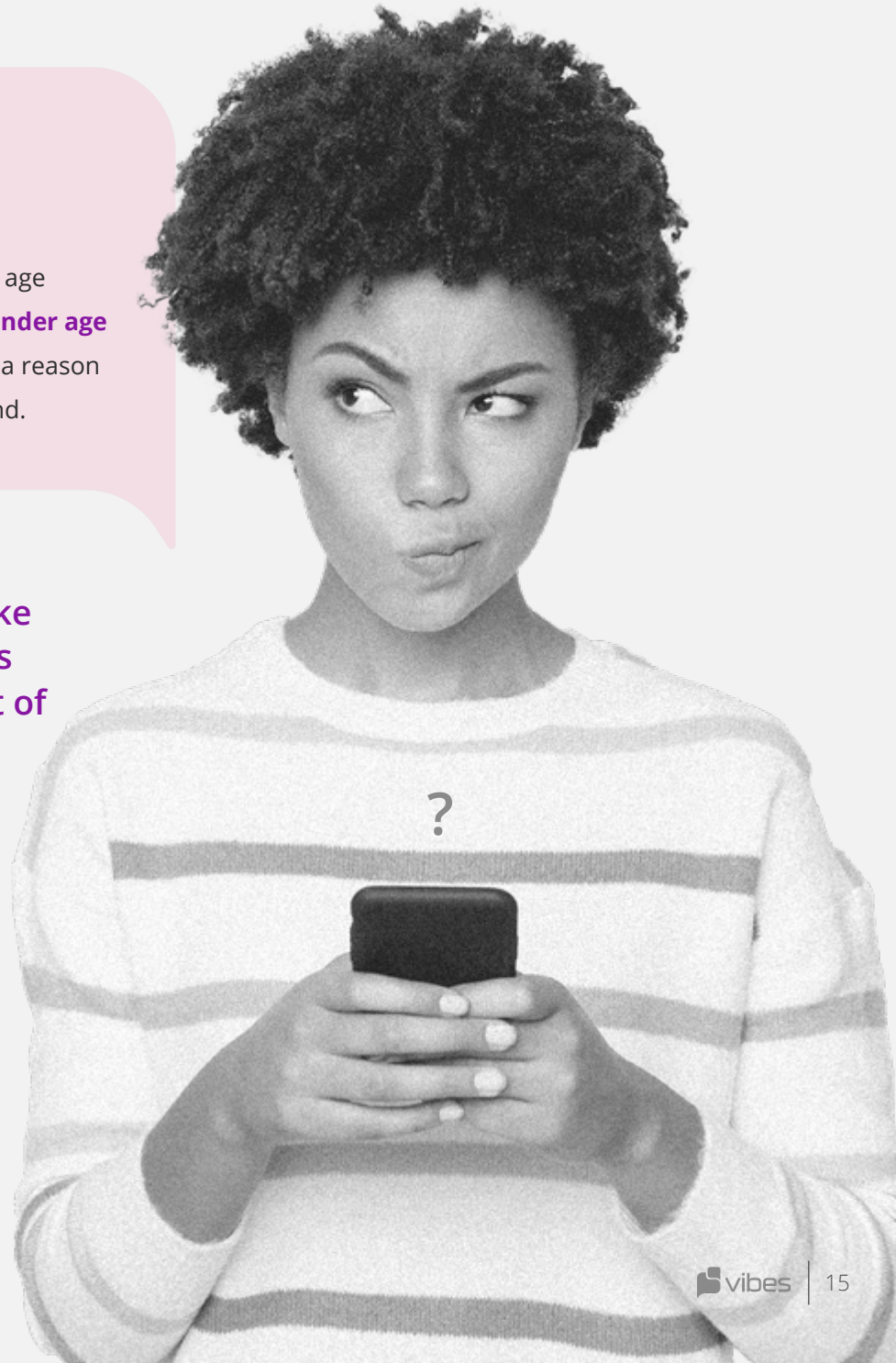
A top reason that would make consumers turn off a brand's push notifications or opt out of text messages would be:



Over 40
Too many messages or updates



Under 40
Too few messages



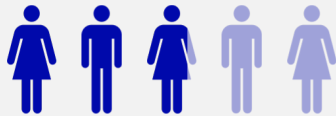
On the other hand, **too many *irrelevant* messages** drives opt-outs.

The stakes are high when it comes to messaging: if brands aren't personalizing their communication, then messages can quickly become simply irritating to consumers.

In fact, overdoing it with **too many messages** and updates is the main reason why many consumers say they turn off push notifications or opt out of text messages from a brand.



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Almost three out of five smartphone users say that too many messages or updates is the main reason why they would turn off a brand's push notifications or opt out to no longer receive text messages from a brand.



Other reasons that would prompt an opt-out are:

33%

Information not relevant to me
(as a runner, I only want alerts
on running shoes and apparel)

31%

I no longer care about this
brand or company

27%

The coupons or incentives
are not good enough

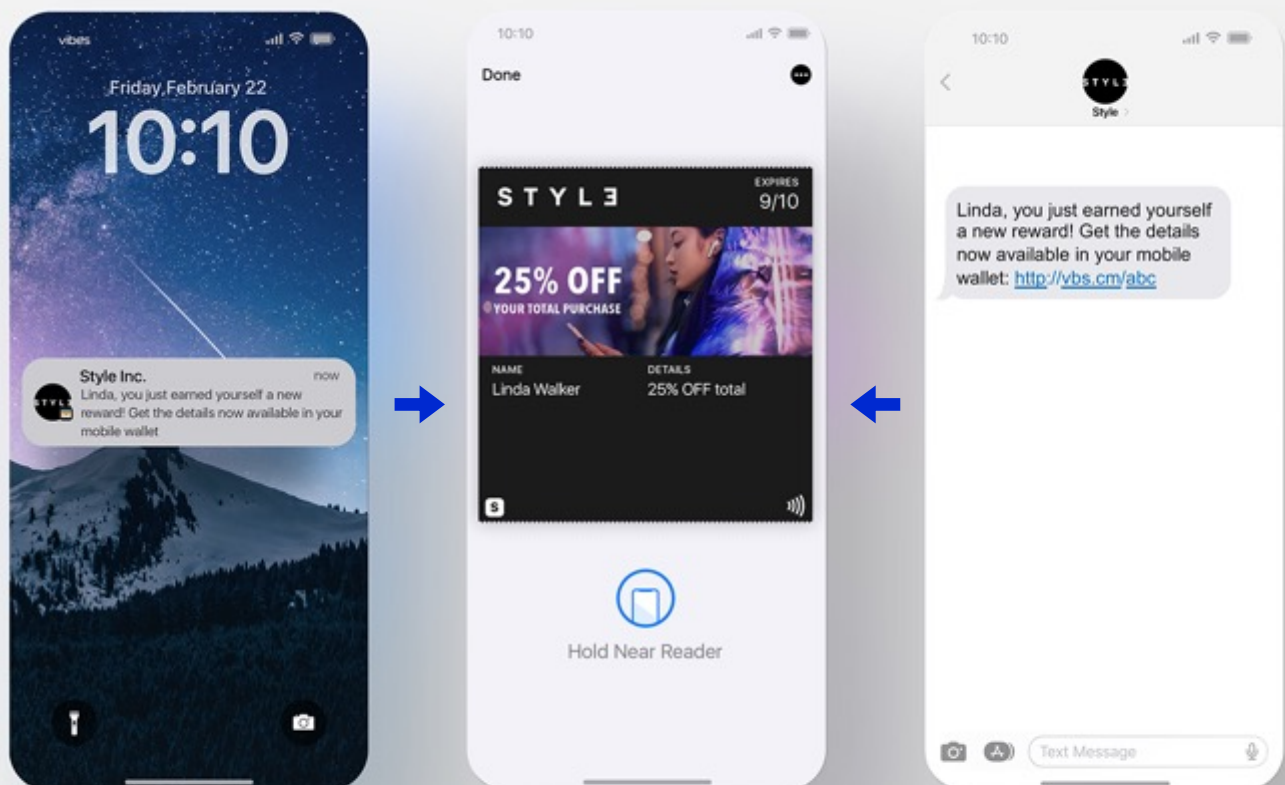
19%

The messages are not timely
(receiving notice about a big sale
the day-of)

Personalization is what drives consumers to also interact with brands in different, newer channels such as Mobile Wallet.

More than seven out of ten smartphone users say they are likely to save and redeem personalized mobile wallet offers or coupons that are enhanced with their name and tailored to their personal shopping preferences.

 **71%**
are likely to use
personalized mobile
wallet offers/coupons



SMS and Push can best deliver on the growing consumer demand for personalized communication from brands.

Consumers are interested in frequently interacting with brands via SMS and Push if the messages are relevant.

And now that we know many consumers still do not think brands are doing a good job at this, the opportunity to start doing it and get it right is enormous.

Using consumer data is the best way to **create tailored content** that will catch their attention to engage.

SMS and Push are both channels that, through zero and first-party data, can curate consumer data without facing any privacy repercussions. These mobile messaging channels' abilities to collect both demographic and behavior-based data and use it to **engage 1:1 with consumers** is practically baked into its DNA.

Don't be the brand that crosses over into the "too many messages" territory. Instead, **learn about your audience** – their needs, preferences and behaviors – and create messaging opportunities based on that knowledge to give consumers the personalization they are craving.



Loyalty program engagement would increase if brands provided consumers with relevant rewards.

20% 

Nearly **20%** of consumers who are currently engaged with a brand, but won't engage in their loyalty program, will happily engage with the program if brands provided them with personalized rewards that are worth earning



03.



KEY TAKEAWAY

Through their abilities to collect both demographic and behavior-based data, **mobile messaging channels like SMS and Push can best deliver** on the growing consumer demand for personalized rewards and communication from brands.

This will not only solve for increasing loyalty program enrollment but is also the solution for **keeping loyalty program members engaged.**

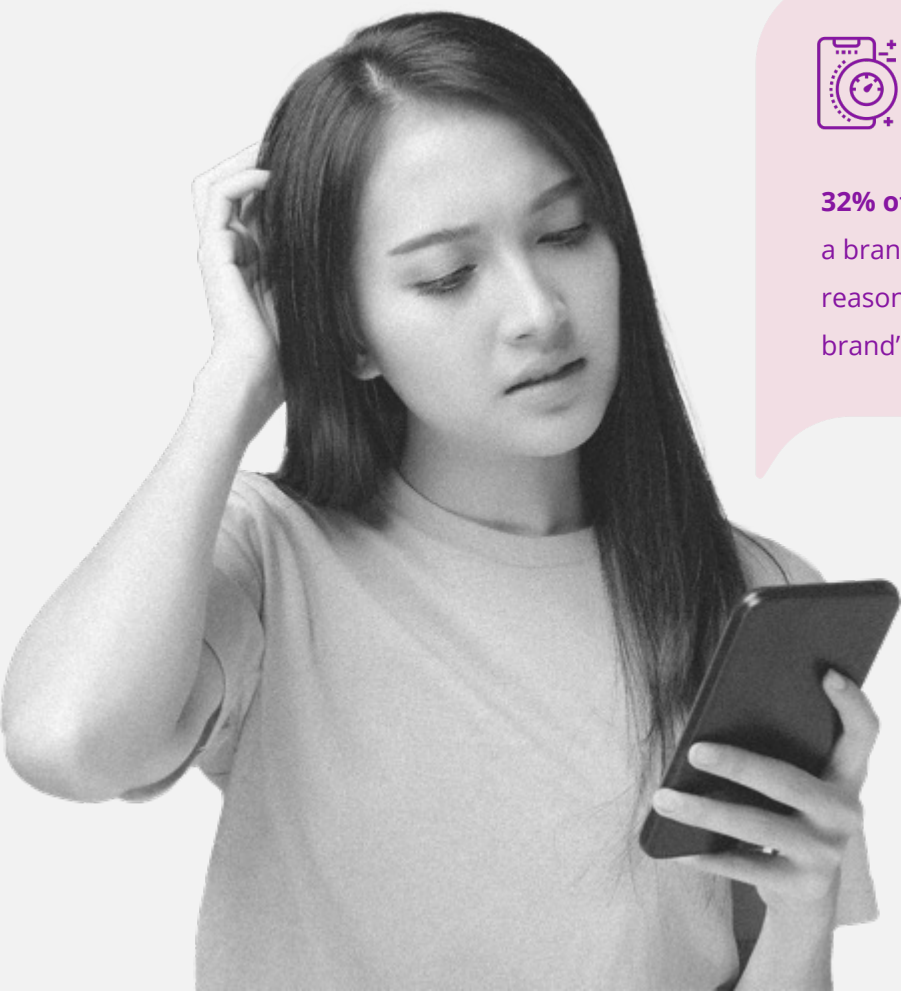
Younger consumers have higher standards for mobile app experiences.

Through this research we learned that many smartphone users under age 40 that are members of a loyalty program use the brand's mobile app to primarily interact with the program, but they have high standards for in-app experiences. If a brand's app is slow or poorly designed then many don't want to use it, and loyalty program engagement decreases.



32% engage less frequently

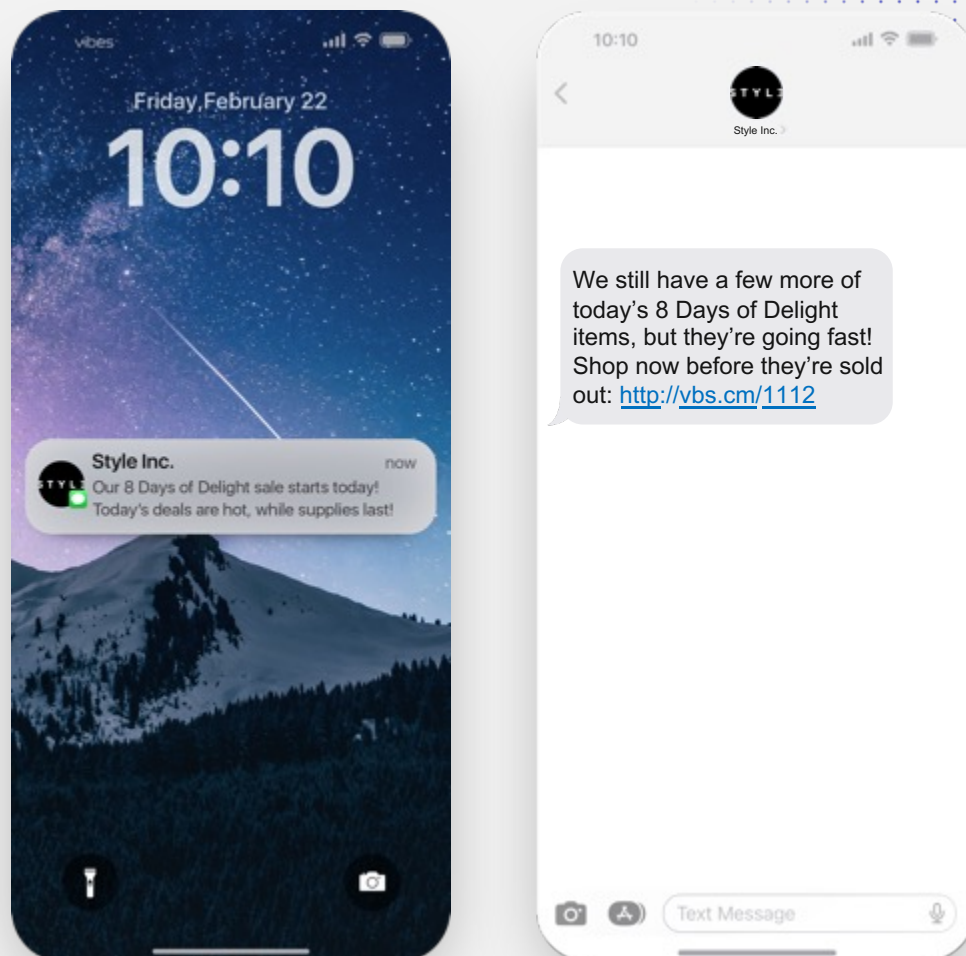
32% of consumers – particularly ages 21-24 – say a brand's app that's too slow or hard to use is a top reason why they engage ***less frequently*** with a brand's loyalty program.



SMS & Push are powerful, complementary channels.

SMS has the message delivery speed and intuitive user experience to combat these pains younger app users feel. SMS is a powerful channel, but even more powerful is ***SMS and push working together.***

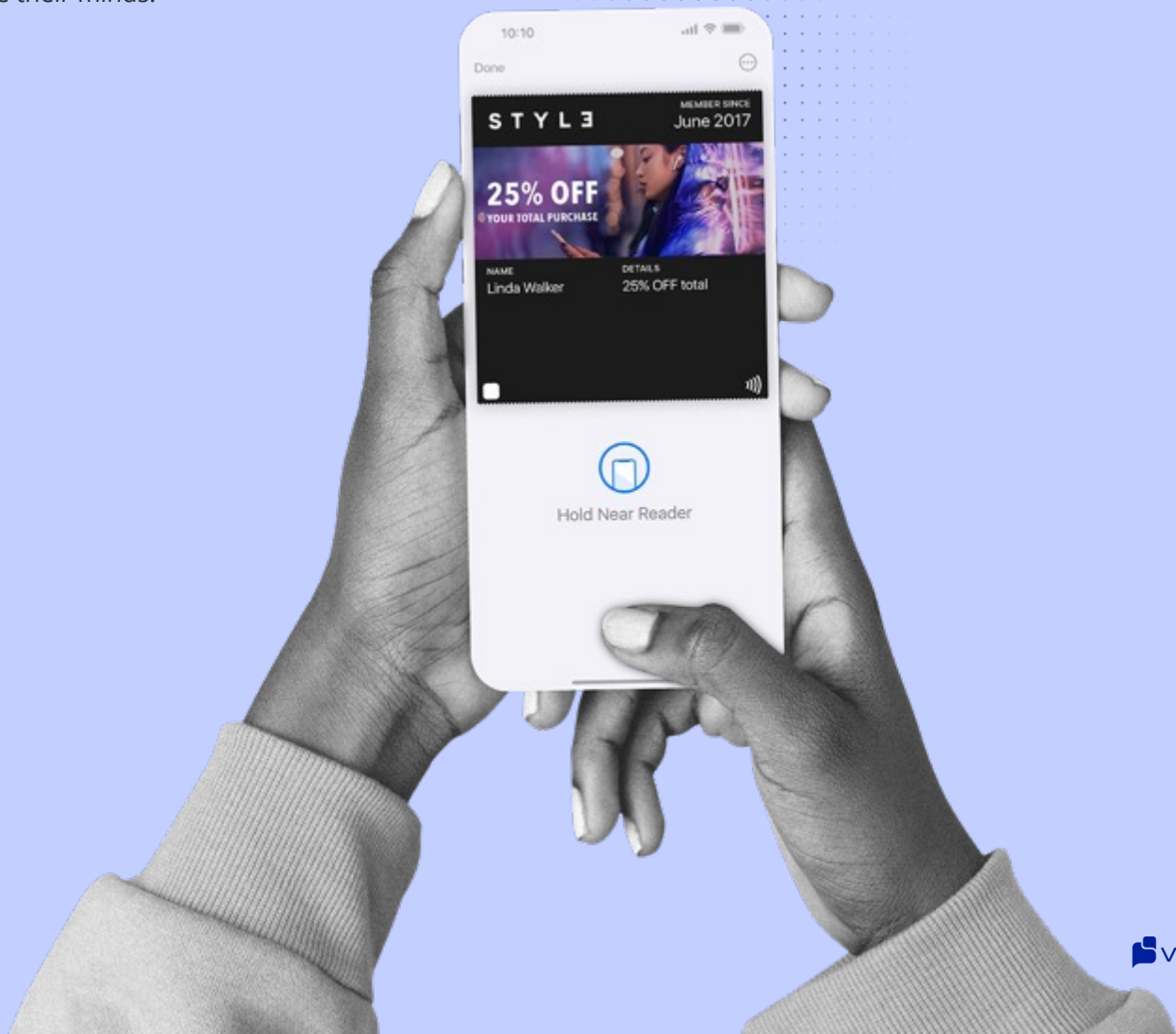
The most sophisticated marketers activate both channels in order to support and complement one another, learning from the engagement data in order to always deliver the right message in the right place and at the right time.



Consumers told us their thoughts on using Mobile Wallet – the answer varies depending on the age group.

04.

Consumer preference for Mobile Wallet looks very different depending on their age – certain groups are active and interested, while others could easily live without it and have little desire to change their minds.



Consumers **under the age of 55** say they are already using or are interested in using Mobile Wallet.

47% 

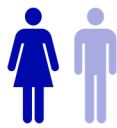
Of those surveyed that are **55 and older**, **47%** say they do not currently use Mobile Wallet for coupons or offers, nor do they have any interest in doing so in the future.

54% 

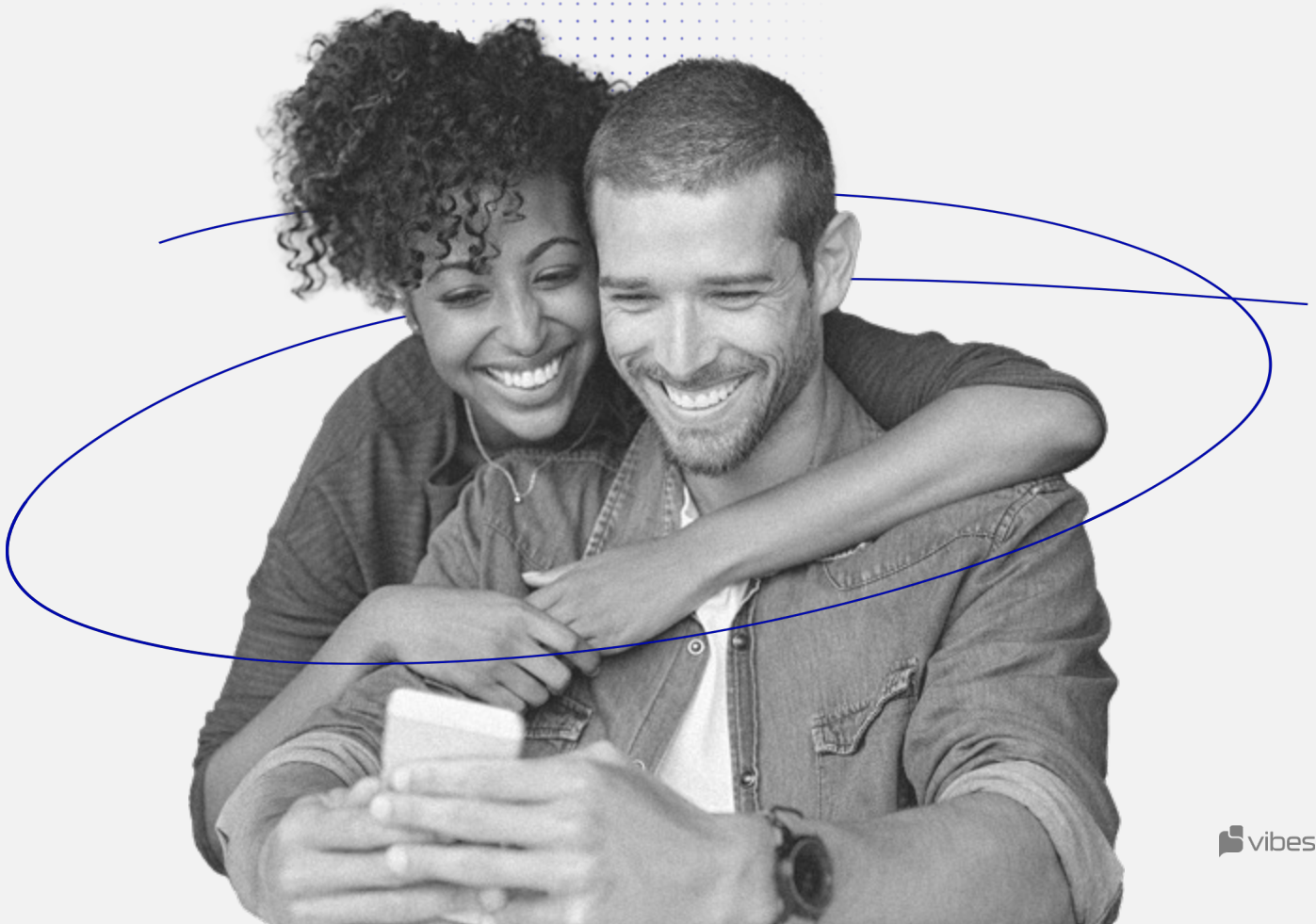
Of those surveyed that are **ages 25-54**, **more than half** say they either already use or are interested in using Mobile Wallet for digital coupons and offers.



While those 55+ did not show strong interest, consumers **under age 55** say they're also interested in Mobile Wallet for storing their loyalty card over having a physical card.



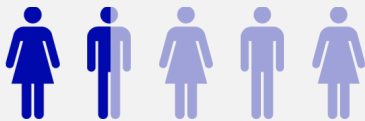
1 in every 2 consumers between the ages of 25-54 are interested in a loyalty card they can store in their phone's mobile wallet.



Better offers would increase Mobile Wallet engagement.

For the more ambivalent Mobile Wallet users, what most say would tip the engagement scale ties back to our first takeaway: **better promotions and offers** could have the biggest influence on turning non or infrequent Mobile Wallet users into steady, active users.

22%



More than one out of five smartphone users who have not used Mobile Wallet in any way say that getting better promotions and offers would influence them to become more frequent users.



Other factors that would influence non-Mobile Wallet users to start engaging are:

19% 

If I was given a tutorial on how to use it

16% 

If it would make my life easier by organizing things like offers/coupons, loyalty cards, airline boarding passes, etc.

16% 

If it would make it faster to apply my loyalty/rewards account

10% 

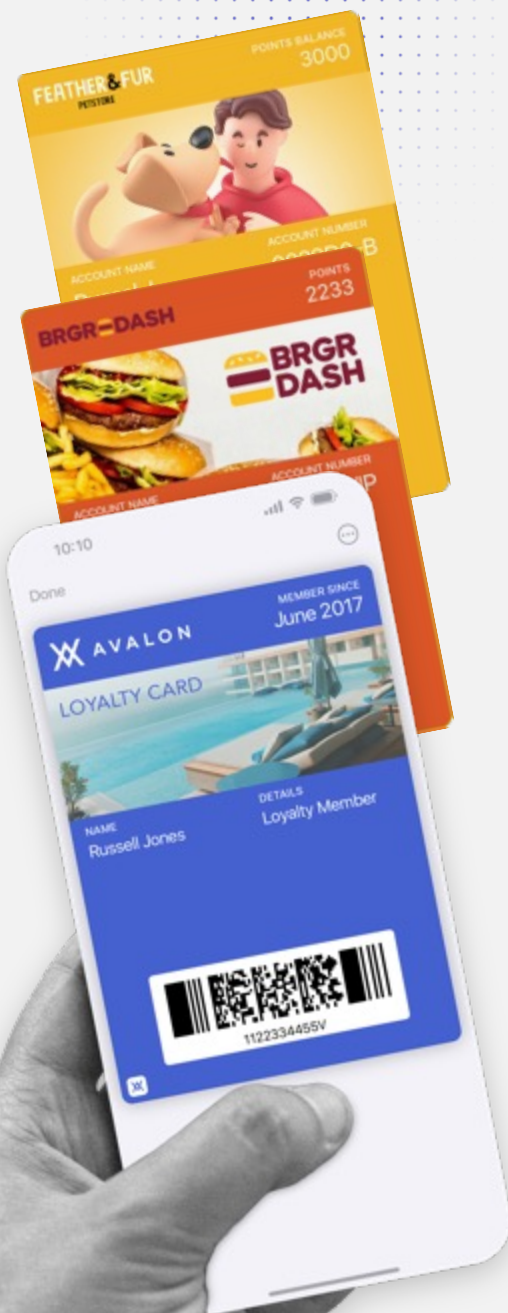
If I thought it would enhance my experience with my favorite brands and companies

11% 

If I knew I would receive more relevant offers based on my past purchase history and location

8% 

If I could get updates on important information (e.g., flight delays, balance alerts, shipment confirmation, etc.)

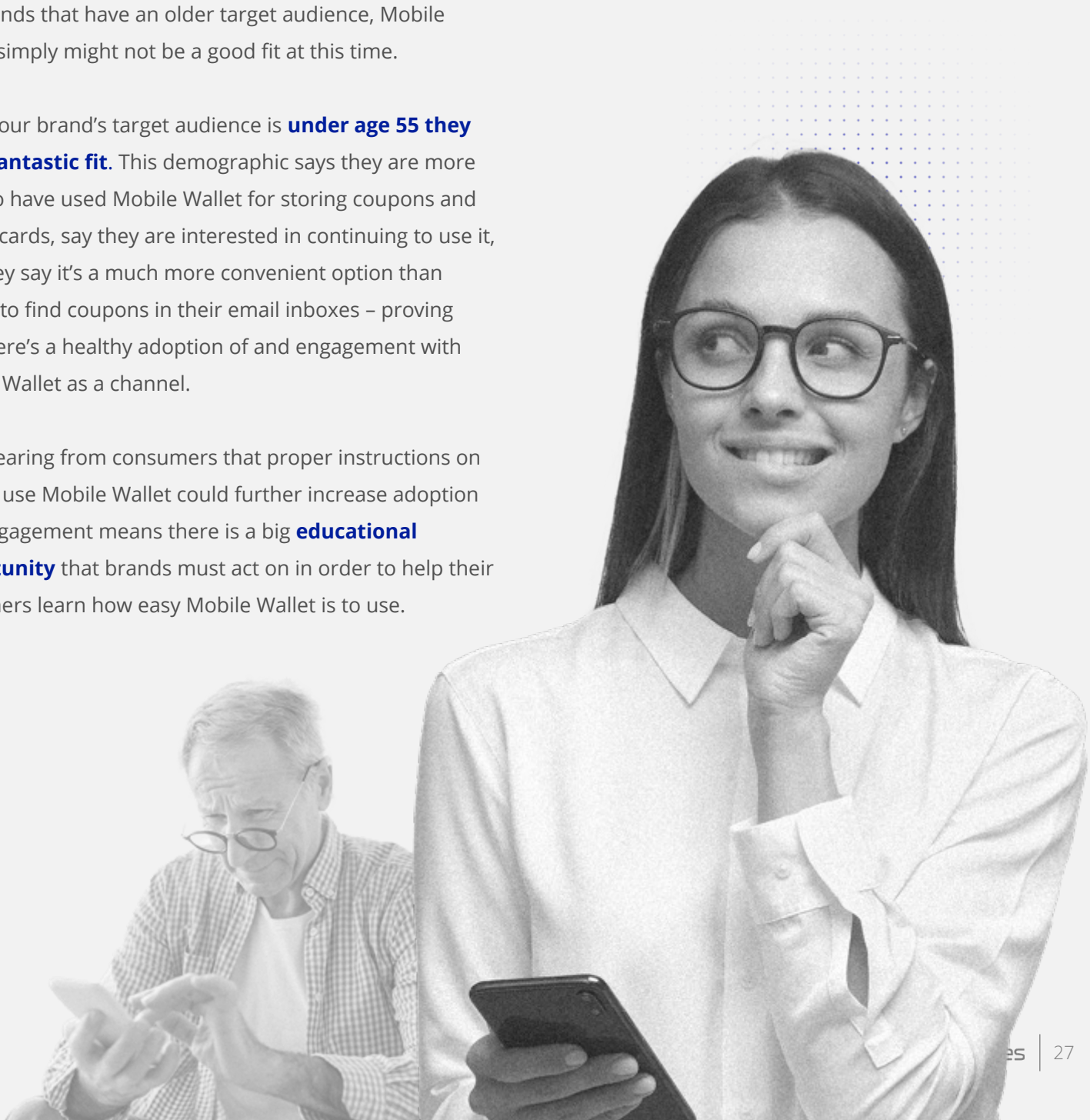


Mobile Wallet skews to the **younger consumer** – under the age of 55.

For brands that have an older target audience, Mobile Wallet simply might not be a good fit at this time.

But if your brand's target audience is **under age 55 they are a fantastic fit**. This demographic says they are more likely to have used Mobile Wallet for storing coupons and loyalty cards, say they are interested in continuing to use it, and they say it's a much more convenient option than having to find coupons in their email inboxes – proving that there's a healthy adoption of and engagement with Mobile Wallet as a channel.

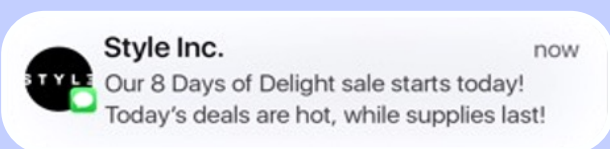
Plus, hearing from consumers that proper instructions on how to use Mobile Wallet could further increase adoption and engagement means there is a big **educational opportunity** that brands must act on in order to help their customers learn how easy Mobile Wallet is to use.



There remains an
“engagement gap” that
native mobile channels,
SMS and Mobile Wallet,
can help close.

05.

Take Push, for instance: it's a highly effective channel for the actively-engaged mobile app users, but we learned that there's a big portion of a brand's audience that they're still missing.



51% 

of consumers have received push notifications from a brand's mobile app that they have on their phones, even when the app is closed.

49% 

of consumers have never received a push notification or have not enabled them.



VIBES EXPERT TIP

Having learned how important it is to consumers to save money right now, brands with a mobile app can drive engagement from the 49% of unengaged consumers by offering them an incentive – **such as free shipping or a dollar amount off a purchase** – in exchange for turning on push notifications.

While email is still prominent among those 55+, **younger consumers want SMS.**



Consumers from ages 25-54 say the communication channel they prefer to use with brands is SMS over email.



SMS

32%

Email

26%



SMS and Mobile Wallet will expand a brand's reach.

Email and apps alone cannot create the loyalty a brand deeply desires. When it comes to the customer experience, native mobile channels like **SMS and Mobile Wallet** will engage a larger audience in a timely and relevant manner.



VIBES EXPERT TIP

While slow or poor connectivity can be a barrier for mobile apps, Mobile Wallet is always accessible because it does not require an internet connection.



Conclusion

It's increasingly clear that brands need to focus on **targeted communication to ensure messages are as personalized as possible** — and to not underestimate the power of a single inappropriate or misaligned message.

We see that consumers want to hear from the brands they like when it's done right, be it text messages, Mobile wallet passes, push notifications, or a combination of all of them.

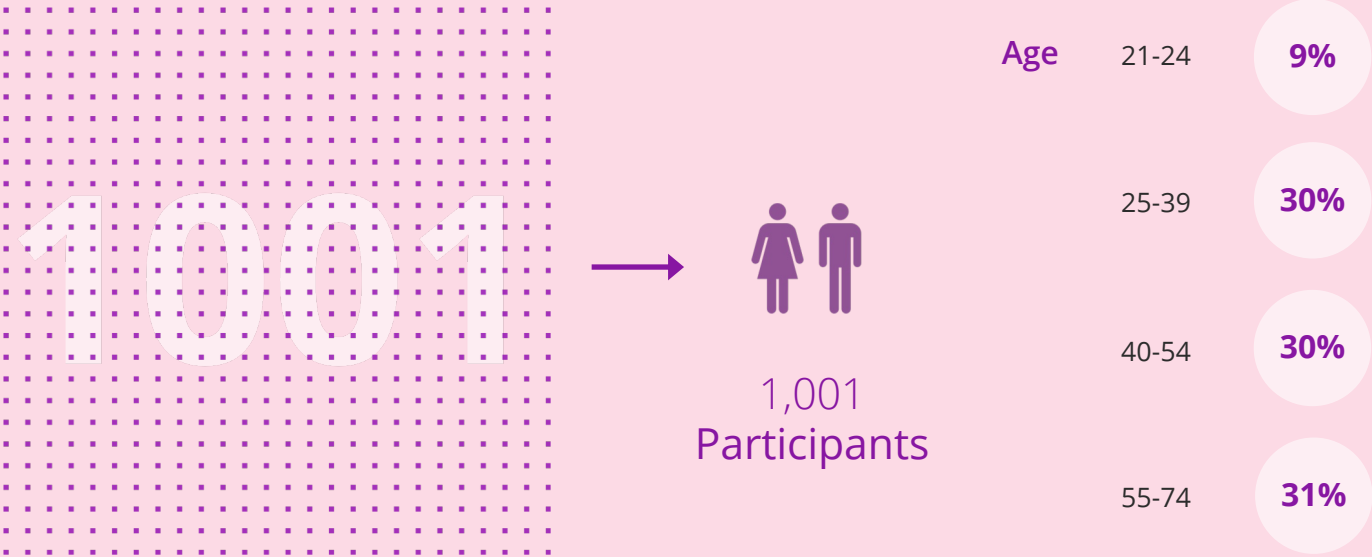
To succeed in today's hyper-competitive market, brands must take mobile messaging seriously. Ignoring it or approaching it haphazardly can mean missing out on a critical opportunity to build relationships with consumers in an intimate and personal way. Lean in and nurture those relationships with timely, behavior- and demographic-based messaging — and consumer loyalty — will flourish.

Get in touch with us today to talk further about how we can help you take your mobile messaging to the next level.

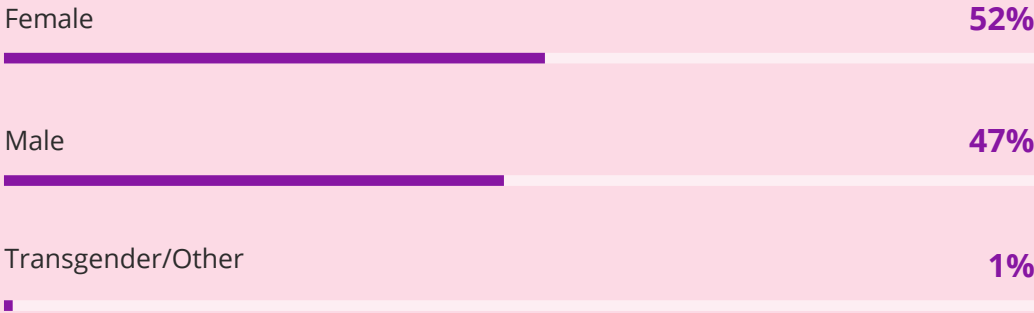
About the Research



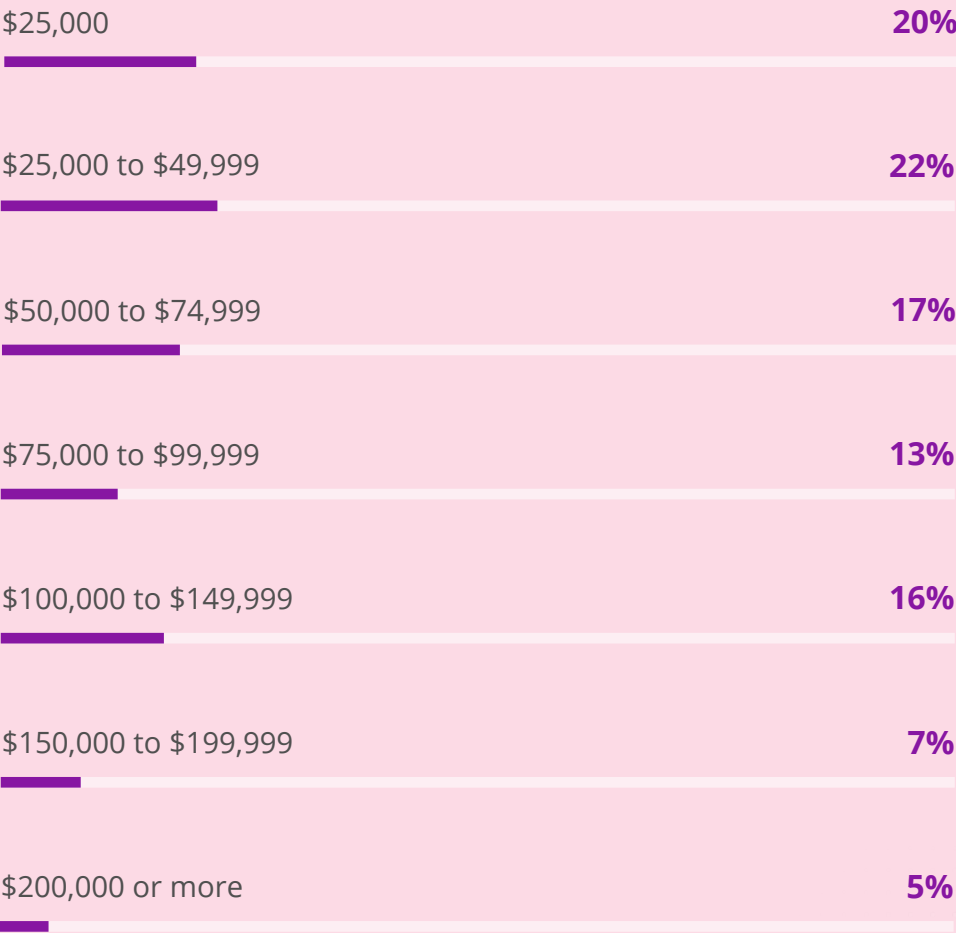
The findings of this research are based on an online survey conducted by Industry Dive's studioID in November and December 2022. **A total of 1,001 consumers** with smartphones participated. The sample was drawn from Industry Dive's studioID databases.



Gender



Income



Type of Mobile Phone Owned





Vibes helps create personal and valuable engagement between consumers and the brands they love. Leading brands like Chipotle, The Container Store, Ralph Lauren and many others use Vibes to grow, activate and optimize consumer relationships with timely, relevant, high-volume mobile messaging at a global scale. The company's trusted mobile experience platform enables marketers and loyalty professionals to connect with consumers using a unified native platform of SMS, MMS, dynamic wallet, mobile push notifications, app inbox and performance analytics.

studio / **ID**

BY INDUSTRY DIVE

studioID is Industry Dive's global content studio offering brands an ROI rich tool kit: Deep industry expertise, first-party audience insights, an editorial approach to brand storytelling, and targeted distribution capabilities. Our trusted in-house content marketers help brands power insights-fueled content programs that nurture prospects and customers from discovery through to purchase, connecting brand to demand.

LEARN MORE