THE MOBILE COMMERCE
REVOLUTION

Business Success in a Wireless World

TIM HAYDEN
TOM WEBSTER

que®

The Mobile Commerce Revolution

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TOM WEBSTER

The Mobile Commerce Revolution: Business Success in a Wireless World

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About the Author

Tim Hayden is Principal Strategist at TTH Strategy, a consultancy that provides guidance to organizations faced with business processes and communications challenges. He also serves as an investor and advisory board member to several ventures in cloud, mobile, and social technology. Prior to TTH Strategy, Tim led Edelman Digital's North American mobile program, and cofounded 44Doors, an SaaS mobile marketing platform. He was a founder and partner in other startups including NION Interactive and GamePlan, an experiential marketing agency that produced solutions for brands including AMD, Bacardi USA, Dell, Humana, and IBM using the integrated "Live+Mobile+Online" methodology that Tim coined in 2007. He is a graduate of Texas State University in San Marcos, Texas.

Tom Webster is Vice President of Strategy for Edison Research, a custom market research company best known as the sole providers of exit polling data during U.S. elections for all the major news networks. He has nearly 20 years of experience researching consumer usage of technology, new media, and social networking. Tom is the principal author of a number of widely cited studies, including "The Social Habit," "Twitter Users in America," and the coauthor of "The Infinite Dial," America's longest running research series on digital media consumption. He is a graduate of Tufts University in Medford, Massachusetts, and holds an MBA from the Bryan School of Business and Economics at the University of North Carolina.

Dedication

To our sons, Graeme and Sam, who may each prosper with a life full of adventurous experiences in the Age of Mobility.

Acknowledgments

From Tom:

I would like to thank Larry Rosin, Joe Lenski, and the amazing team at Edison Research, who always get it right.

To Tim Hayden, my brother from another mother, thank you for the opportunity, the prescience, the vision, and for trusting me. You made this book great, and I look forward to many years of CB lingo voice mail messages, good buddy.

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From Tim:

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Throughout writing this book, Tom Webster has been the support, wrangler, and brute force to make it real. The band will play on and on, and onward, compadre.

Not a word would be on these pages if my wife, Halea, did not let me gamble on new ventures, grant me her support, and extend her patience with me when there is no patience left to extend. She is My Love and my fuel for the long twisting road that is life, and the tank would be empty without her in my heart.

From Tim and Tom:

We thank Chris Brogan, who on one afternoon in 2008 in Dallas enabled the two of us to ignite our brotherly relationship, arguing over focus group efficacy in a world with real-time data, and four years later Jason Falls introduced us to Katherine Bull from Pearson with an idea for this book. You guys started this.

We want to acknowledge all the great advice we received from authors before us: Jay Baer, Tom Martin, C. C. Chapman, Ann Handley, Scott Stratten, Chuck Hemann, Ken Burbary, and Christopher S. Penn. Thank you, all.

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Introduction

The title of this book uses a bold word: Revolution.

We often think about revolutions as political, religious, or socioeconomic debates that escalate into warfare. But a revolution can also apply to human behavior. All you need is for some kind of fundamental shift to happen, and for that shift to happen quickly. This book describes just such a shift—one that is happening rapidly and changing the face of worldwide cultures and economies, consumer attitudes, and business structure. We are now in the dawn of the mobile commerce revolution, complete with multisided battles, intense competition, and a hard-fought pursuit to define the future.

As you read in this book, the desktop era is dying. And along with its death and the growing maturation of the Age of Mobility, this new reality is set to alter everything.

Life changed dramatically with the advent of mobile phones, wireless Internet service, and a plethora of utilitarian apps available almost everywhere we go. Do you remember your first smartphone and the feeling of total liberation you felt? You were no longer tied to your office or home computer! You could check your email at lunch, or leave the office early, or let your spouse know you would be home late. In short, even then, smartphones changed your behavior.

As smartphones have become ubiquitous, however, they are used for far more than simply catching up with the office email. Today, we can negotiate prices with the babysitter via text message, pay the yard guy with PayPal, book a hotel that's nearby and vacant the moment we need it, and open a bar tab miles away to buy a friend a beer—from near anywhere at anytime.

Mobile technology has made a tremendous impact on our lives, and more disruption, both positive and challenging, is on the way. The revolution has just begun—and it's far more than simply a technological revolution.

Why We Wrote This Book

Las Vegas, Nevada, deserves much of the credit for Tim's fascination with mobile technology. In 2004, Tim attended the International Consumer Electronics Show (CES) for the first time. CES carries the reputation—true or not—of being North America's largest tradeshow and the world's "see-what-we've-been-dreaming-up" launch zone for consumer gadgets, appliances, and lifestyle electronics. Prior to attending, in August 2003, Tim sat in a small conference room in Overland Park, Kansas, where he was presenting a guerrilla marketing stunt idea to the Bluetooth Special Interest Group (SIG) that would steal the show at the 2004 CES. The effort was to drive awareness for Bluetooth-enabled products such as Logitech keyboards, the 2004 Acura, and new BMW models that would have the technology as a standard feature for hands-free cell phone use.

On that day in Kansas, though, Tim's views of marketing and consumer behavior were forever altered when one of the SIG board members told him that in parts of France and Scandinavia people already pay for groceries via Bluetooth. Some time later, another SIG board member told him that the Japanese were troubled with Bluetooth earpiece users because in Japanese culture you are considered crazy or possessed if you walk around talking to yourself. From that point on, Tim became much less focused on the technology and more focused on what people do—or don't do—with their newfound pocket computers.

In January 2007, Tim received a call from his then business partner, Keith Dudley, who was in San Diego to oversee the launch of Dell's sponsorship of Justin Timberlake's FutureSex/LoveSound tour. After seeing thousands of teenage girls at the event all capturing photos and video on their phones, Keith was struck with the potential opportunities provided through text messaging. He recognized that we could extend the experience before, during, and after the concert. At that moment, Tim and Keith shifted their entire view of event marketing, retail, and other live experiences. They saw it all as a *series of moments for a brand to be present*.

Tim's agency at the time, GamePlan, called it Live + Mobile + Online (see Figure 0.1).
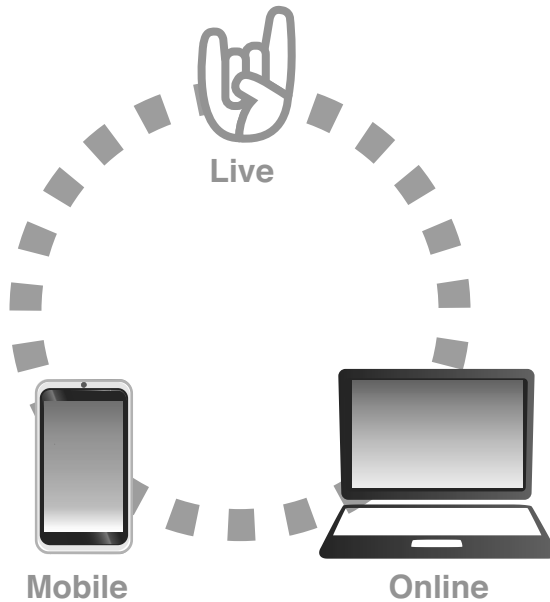
Figure 0.1   *A simple illustration from 2007 to show the interdependence of offline experiences and digital media.*

It was precisely this complex interplay between online and offline behavior that first interested Tom. Tom has been tracking smartphone usage, consumer adoption of mobile technology, and the seismic shifts mobile technology caused in human behavior since 2006. As a professional market researcher, Tom began to realize that the increasing ubiquity of mobile technology was changing the ways in which people behave, and changing those behaviors faster than even the initial advent of the Internet did.

Much of Tom's work involves measuring advertising and marketing effectiveness on behalf of agencies and brands. One of the growing challenges faced by Tom's clients is the need to square all the online clickstream data that businesses are now "blessed" with having with consumer behavior in the *offline* world. In other words, did a banner ad that nobody clicked on (and is therefore seemingly inef-fective) actually contain a message that drove someone to a retail location? Did an "untrackable" Twitter message influence someone's decision to test-drive a car? Calibrating online and offline data is one of the main challenges for any company that inhabits both spaces, and what Tom rapidly realized was that one of the keys to bridging the gaps between that data is mobile technology—after all, in many countries today, the majority of the population is *never* truly offline, thanks to the Internet in our pockets.

Where Tim and Tom violently agree is this: The ability to access information about nearly anything was just the beginning of the impact of the mobile Internet—the ability for a consumer to get the answer to a question nearly instantly, no matter where he is, has led to a behavioral shift in *other* things consumers expect to be able to do anywhere, anytime. And that has implications for business that go well beyond marketing.

It's Not Just Marketing

Mobile commerce is being defined with many different meanings by the most diverse system of stakeholders, not limited to incumbent technology vendors, bankers, retailers, advertising agencies, and aspiring 20-something technologists who've never run a business. We have friends and professional acquaintances who either fit or proudly wear many of these labels, and countless other social media networks, payment enablers, and telecom carriers claim they have it all figured out. There is no doubt that the battle will be long and fierce over the potential profits in mobile payments and transactions, and ultimately the customer will win.

Yet, the mobile commerce revolution is as much about society as it is about business. This may be lost on many who will either flourish or perish at the hands (and thumbs) of an always-on, always moving, untethered audience. From politics to travel to healthcare and retail, the world is undergoing a dramatic shift, thanks to widespread global adoption and usage of smartphones, tablet computers, and other mobile devices. This phenomenon is happening today and is not limited to the young or to the old, to the haves or to the have-nots, and this change does not discriminate by industry or tenure. The mobile commerce revolution affects us all, and there's no better time than now to begin to adapt to capitalize, survive, and succeed.

Mobile is a very deep and broad industry that grows and changes every day, if not every hour. Consider that year-over-year mobile data traffic grew 81% in 2013 (after growing 70% in 2012[1]), and more than 30% of smartphone users have owned their devices for less than 12 months.[2] You can see within those two numbers that mobile adoption is happening fast. Smartphone ownership has grown 500% in five years, and today 61% of Americans aged 12 years and older own a smartphone.[3]

1. Cisco Visual Networking Index: Global Mobile Data Traffic Forecast Update, 2012–2017 http://www.cisco.com/c/en/us/solutions/collateral/service-provider/visual-networking-index-vni/white_paper_c11-520862.html.
2. Edison Research, "The Smartphone Consumer 2012." http://www.edisonresearch.com/home/archives/2012/06/the-smartphone-consumer-2012.php#.U82FwWSwL6w.
3. "The Infinite Dial 2014," Edison Research and Triton Digital. http://www.edisonresearch.com/home/archives/2014/03/the-infinite-dial-2014.php#.U82GvmSwL6w

Consider that there are more mobile phones on the planet than there are people, and you cannot escape the conclusion that mobile is powering a fundamental shift in the way we shop, live, and communicate with each other.

Today, there is a land rush to build apps, software as a service (SaaS), payment, and media networks that create news and not-always warranted excitement for innovation and the future, unlike any industry in history. In fact, it's hard to even call mobile an "industry," which is why the title of this book invokes a better term: a revolution.

So, What Is This Book About, Really?

This book explains the vast changes to business associated with the adoption of mobile devices and their ubiquitous use. Case studies and expert viewpoints help you understand related challenges and opportunities and help you formulate solutions and tactics to leverage the age of mobility that is now upon us.

Yes, within these pages you find plenty of data to help you grasp the magnitude of smartphone (primarily) and tablet usage to find and buy things and make payments. However, in the words of the German poet Heinrich Heine, you cannot feed the hungry on statistics. Instead, we aim to provide the stories those numbers tell, and the decisions they may help you make.

If you own a business or are responsible in any way for either sales or marketing in someone else's business, this book helps you understand the dynamic shifts in consumer and purchase behavior resulting from wireless device use. Every business is different when it comes to audience or customer behavior and purchase habits, so our goal is to provide you with usable coordinates for weaving mobile technology and strategy into your marketing mix.

If you work for an agency or you are a consultant, this book helps you understand the urgency of advising clients with new strategies that address the aforementioned related challenges and opportunities. This may include direction on responsive web design, mobile applications, direct-response marketing, mobile payment solutions, and location-based tactics that leverage everything from Foursquare and Facebook to billboards and napkins.

We also include some case studies and stories for how brands such as Wells Fargo, Publicis Groupe, Torchy's Tacos, Diane von Furstenberg, and others, such as farmers in Kenya, are seeing success—and challenges—with their mobile investments.

And finally, our real goal with this book is not to help you with a "mobile strategy"—it's to get you to holistically consider your entire business differently and predict the future with a little more clarity. All of this and more is jam-packed into the next 19 chapters for you to learn how to capitalize at the intersection of mobile marketing and digital commerce.

The Current State of Mobile

Here's a prediction: Right now, as you are reading this, you are within arm's reach of a smartphone. How did we do? To be honest, it wasn't a difficult prediction to make. Today, the majority of Americans own a smartphone, and 83% of them say they are always or nearly always within reach of their mobile device. You can walk into a convenience store, buy a prepaid, no-contract smartphone for under $100, and have the Internet in your pocket.

For years, technologists have been talking about "convergence" devices—technology that replaces two or more gadgets and gizmos. The smartphone has truly become the ultimate convergence device. Think about the devices it has replaced: media players, navigation devices, guidebooks, your wallet, and even your desktop computer. The smartphone has quickly become all these things.

Smartphones have also effectively ended the bar bet. Remember Norm and Cliff from the television series *Cheers*? Cliff's character, a mailman played by John Ratzenberger, was often the instigator and arbiter of trivia questions at the show's eponymous bar. Today, however, we are *all* Cliff. The answer to nearly any trivia question is just a mobile search away. In fact, having the answers in our pocket to "who sang that song?" and "who was that actor?" has conditioned us to expect the answers to nearly everything, whenever and wherever we need them. And that has changed our behavior, as we discuss later in the book.

Americans and Smartphones

Tom's company, Edison Research, has been tracking mobile phone ownership, usage, and other mobile behaviors for nearly a decade in its annual Infinite Dial study, a long-running research series that has been providing representative data about technology and media usage in America since 1998. In the most recent Infinite Dial study from 2014, an estimated 160 million Americans, or 61% of Americans aged 12 and older, now own a smartphone (defined as an Android, iOS, Blackberry, or Windows-based phone). What this number masks, however, are some significant demographic and psychographic differentials in smartphone ownership. In fact, the numbers for smartphone ownership for people aged 12 to 34 are truly staggering—more than three-quarters in that demographic (and 74% of teens!) own a smartphone.

What's truly interesting about smartphones (as compared to feature phones, which are non-smart phones without Internet access) is that a new generation of users has become as comfortable communicating with their thumbs as with their voices. When we asked mobile phone users how often they send or receive text messages on their phones, 75% of smartphone owners said several times per day, compared to just 29% of feature phone owners. Is this because smartphone owners are more communicative? Possibly, but unlikely. It's far more likely the power of a smartphone and the increased usage of apps on the mobile Internet makes users increasingly comfortable keeping the phone in front of them, rather than glued to their ear.

Indeed, we now have many means of communication available that simply didn't exist five years ago. Consider apps like Instagram and Snapchat. Three in 10 smartphone owners have Instagram accounts, making the company's $1 billion sale to Facebook look like a bargain in retrospect, especially when you consider that Facebook paid $19 billion for the messaging app WhatsApp. Snapchat, which has only been around for three years as of this writing, is now used by 19% of smartphone users. In fact, as shown in Figure 1.1, nearly half of 12- to 24-year-olds use Snapchat (so the odds are good that your teenager does, too). Both services now

tap into tens of millions of users who are using their phones to share images, messages, and above all, experiences in altogether new ways.

Nearly Half of 12-24s Use Snapchat

% Age 12-24 Who Ever Use Snapchat

Use
Snapchat 46%

Do Not Use
Snapchat 54%
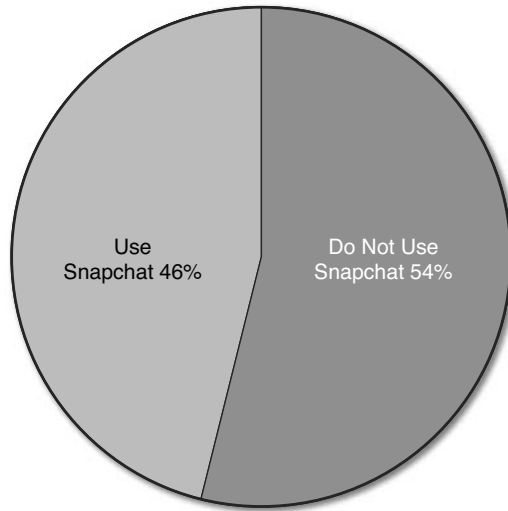
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Figure 1.1   *Snapchat usage amongst Americans 12-24*

Nowhere is this more apparent than in the use of social media. An incredible 40% of social media users with smartphones check those sites and services *several times per day*. This translates to some fairly remarkable behaviors. For example, the average smartphone owner who has a profile on Facebook checks his account six times per day, and 60% of them say they access Facebook *most* via mobile phone.

Previously, we noted that 83% of smartphone owners have their phones nearly always within arm's reach. This has resulted in many tens of millions relying on the phone as the first thing they look at in the morning (ostensibly after their spouse, as applicable)—indeed, for many smartphone owners, it is their device that actually wakes them up, replacing the clock radio. In fact, when asked what media they typically consume *most* at home in the morning, 24% of smartphone users indicated that it is their mobile device, second only to their television at 27%.

Of course, these stats can be slightly deceptive—after all, the smartphone has become the television, the radio, and the newspaper for so many. For the first time since Edison Research started tracking this stat in 2005, iPod ownership has actually declined, from 31% in 2013 to 29% in 2014. Today's smartphone owners have

started to essentially replace their dedicated music players with their phones, and as a result, their media consumption habits have also changed.

For example, have you ever listened to a podcast? Before smartphones became so ubiquitous, mobile consumption of a podcast consisted of downloading a media file to your desktop or laptop, and then transferring it over to a portable media player to listen to it on the go. Today, all the friction has gone out of this process. In 2014, for the first time, most podcast users report that they listen primarily to podcasts on their mobile devices, and not on a computer.

Smartphones have opened up media consumption opportunities for audio, video, and text that heretofore never existed (or were at least difficult propositions). YouTube videos, Netflix movies, Pandora radio stations—all are available at the touch of an app, on the bus, at the gym, and even at the bar, next to Cliff. In fact, 50% of all smartphone owners have downloaded the Pandora app, an estimated 80 million Americans aged 12+—a staggering number for an individual brand.

Nowhere are those increased consumption opportunities more apparent than in the car. The connected dashboard may or may not be a feature in your next car, but the fact is—it's already here for smartphone owners. In fact, 26% of mobile phone owners have listened to Internet radio in the car by connecting their phones to their vehicles (either through Bluetooth, or simply through a cable in an auxiliary jack). This number has grown significantly over the past few years, as you can see in Figure 1.2.

Online Radio Listening in a Car Via Cell Phone Continues Steady Increase to 26%

% of Cell Phone Owners Who Have Ever Listened to Online Radio in a Car by Listening to the Stream from a Cell Phone Connected to a Car Audio System

2010: 6%
2011: 11%
2012: 17%
2013: 21%
2014: 26%

Base: Own a Cell Phone

Online Radio = Listening to AM/FM radio stations online and/or listening to streamed radio content available only on the Internet

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Figure 1.2   *In-car usage of Internet Radio*

This has opened up a world of opportunity for media producers to have their content consumed in new places, in new settings, and by multiple people (by freeing their content from the confines of the earbud). As a result, overall media consumption continues to rise; we are consuming media nearly every waking moment.

Mobile Around the World

The mobile revolution is a truly global revolution; indeed, Cisco's 2014 Global Mobile Data Traffic Forecast shows that global mobile data usage increased by 81% year-over-year from 2012 to 2013.[1] Indeed, while North America continues to see significant growth, Cisco reports even higher growth percentages in Asia, and continuing growth throughout the developing world, as Figure 1.3 illustrates.
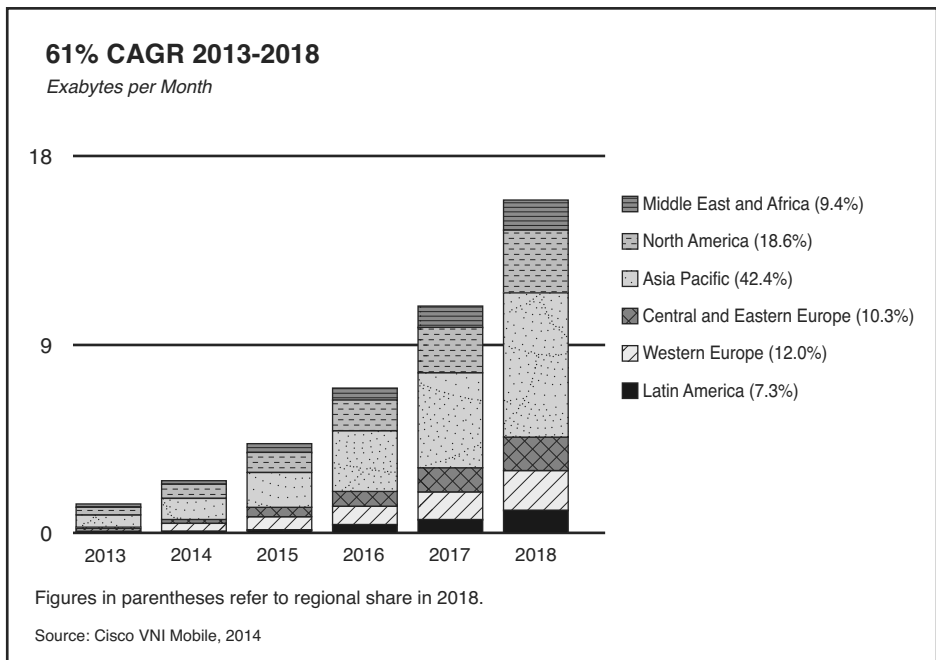
Figure 1.3   *The compound annual growth rate (CAGR) in mobile data usage listed in exabytes (one exabyte=one billion gigabytes). Note the significant CAGR in the Asia Pacific region.*

The really intriguing statistic in this report, however, lies in the distribution of mobile data. In 2013, the top 1% of mobile data users globally generated 10% of

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1. Cisco Visual Networking Index: Global Mobile Data Traffic Forecast Update, 2013–2018.

mobile data traffic. This is actually down 50% since 2010. What does this mean? Simply put, the evening out of mobile data usage worldwide indicates that more and more people are relying on their smartphones for everyday Internet-related tasks, reducing the relative contribution of the most active users.

The International Telecommunication Union (ITU) recently published some statistics on global mobile technology penetration. According to its most recent report,[2] there are now 6.8 billion mobile-cellular subscriptions—almost one for every human on the planet. In fact, in developed nations, there is more than one mobile phone per resident (128%), with developing nations not far behind (89%).

Mobile broadband subscriptions have also grown tremendously, at a rate of 40% per year from 2007 to 2013. While overall penetration of mobile broadband is lower in developing nations, there we see the highest growth rate, with Africa (for example) realizing 82% annual growth in mobile broadband from 2010 to 2013.

Much has been said about the "platform wars" between Google's Android, Apple's iOS, Microsoft's Windows Mobile, and BlackBerry OS, and the statistics here vary considerably. While "usage" shows iOS as the leading mobile operating system, sales figures show Android-based phones outselling the field by a considerable margin in 2013.[3] What is more important, however, than simply looking at phones as iOS devices, or Android devices, is this: They are all Internet devices. According to the Pew Internet and American Life research series, 34% of mobile Internet users admit that their mobile phone is their primary Internet access device,[4] a trend that is accelerating even faster globally. So the intense competition between mobile operating systems is truly having one positive benefit for the world: As these devices become more and more powerful and easy to use, they are truly putting the Internet into the world's pockets.

Mobile Commerce

Mobile penetration has grown rapidly, but mobile commerce is where some truly eye-popping figures can be found. In Internet Retailer's 2014 Mobile 500 study, 2013 mobile sales for the 500 largest retailers around the world increased by 71% over the same period in 2012, reaching $30.5 billion (up from $17.8 billion). Consider this stat for a moment. A growth rate of 71% for mobile retail commerce is significantly higher than the growth rate for mobile phone penetration. We can draw two conclusions here: First, more companies are making their wares available

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2. The World in 2013: ITC Facts and Figures, The International Telecommunications Union.

3. Net Applications, *Mobile OS Market Share as of February 2014* and Gartner, *Mobile OS Market Share as of 2nd quarter 2013*.

4. The Pew Internet and American Life Study, 2013.

to sell via mobile channels. And second, consumers are becoming more comfortable making mobile purchases. Indeed, for many retailers, mobile is not only their biggest growth engine, it's becoming their biggest segment of sales, period.

In fact, we can already see mobile commerce behaviors becoming preeminent if we look at shopping traffic patterns. A 2013 study from Shop.org, The Partnering Group, and comScore revealed that 55% of the time spent on retailers' websites was from mobile devices, compared to 45% from traditional computers.[5] Clearly, while actual mobile sales are a significant driver for commerce, mobile shopping is even more important.

Finally, it is worth noting this stat, from Nielsen, which shows that 72% of smartphone shoppers who make a purchase on their device do so *at home*, not "out and about."[6] This is an important point when putting what we think of as mobile commerce into perspective. What the smartphone and other mobile Internet devices enable is more than just "out of home" commerce. What mobile technology makes possible is commerce wherever, and whenever, the buyer deems appropriate.

Beyond the Numbers

These statistics are important, but what do they mean? We've seen substantial growth rates for any number of technologies, channels, and platforms over the past few decades, but mobile is outpacing them all. Any kind of statistical analysis has to also recognize the rapid, dramatic rise in mobile-related behaviors. When we learn that 26% of mobile phone users have hooked up their phones to their cars to listen to media, this shows more than simply a typical adoption curve for new technology. It shows a clear, pent-up demand to engage in activities previously not possible, but certainly imagined. After all, it isn't necessarily a straightforward activity to connect your phone to a vehicle, and yet tens of millions of Americans have done just that to have more choice and control over the content they want to consume.

The rise in smartphone ownership, and the even more dramatic rise in mobile-related behaviors, is not just about technology. It's about enabling behaviors that are natural to humans, and there's no better way to think about them than to imagine a day in the life of a modern smartphone user.

First of all, how do you wake up in the morning? In 2013, Edison's Infinite Dial study asked that question of a representative sample of Americans aged 12 and older. The number one answer, at 30% of the population, was by setting an alarm

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5. 2013 Social & Mobile Commerce Report, 2013, Shop.org, The Partnering Group, and comScore.
6. "A Mobile Shopper's Journey: From the Couch to the Store (and Back Again)," 2013, Nielsen.

on a mobile phone.[7] Remember the movie *Groundhog Day*, in which Bill Murray's character kept waking up on the same calendar day to a radio morning show? Today, a plurality of Americans wake up to a *noise*—the noise of their smartphone alarm.

After shaking off the cobwebs of sleep, today's smartphone owner takes the phone off the nightstand and checks Facebook, the emails that came in the night before, the weather, and the news headlines. Statistically, smartphone owners check Facebook several more times throughout the day, because they *can*. But for now, a simple scan will do.

After breakfast, our mobile-savvy consumer gets dressed, packs his bag for the day, and turns once again to the mobile phone. For those who commute by car, a destination is loaded into a navigation app that features a real-time traffic subscription, informing of the fastest route to work. For those who take public transportation, apps are available that transmit the exact times that the bus or the subway will arrive, and the optimal path for the commuter to use to get in on time and with no wasted effort.

During the commute, either via car or public transportation, the smartphone user consumes media previously unavailable. Drivers listen to Pandora or a Spotify playlist. Bus riders listen to yesterday's NPR podcasts, or watch a news program on YouTube or Hulu. Some may even share a funny moment from those shows over Twitter, or snap a photo of their commute to post to Instagram, a behavior that was not possible just three years ago.

Before entering the office, our protagonist walks by a coffee shop. Just by passing through the doorway, a Near Field Communications (NFC) or Bluetooth Low-Energy (BLE) chip notifies the coffee shop that a Cafe Americano is on order, and a connected mobile wallet takes care of the bill. Not a word is spoken as the exact order is placed, retrieved, and consumed.

That morning, our subject may work on a variety of tasks, online and off, but he takes a number of "digital vacations" at various times throughout the day. Many of these breaks take the form of checking Facebook or other social media platforms. At one point, our hero sees a friend post about a new music recording, or a book, or a movie. In that instant, a decision is made, and the book or the album, is seamlessly purchased and downloaded to the phone.

Halfway through the day, our hero finishes downloading the new book or music and decides to go out to lunch. A location-based application finds a nearby restaurant, and another app secures a reservation without so much as a phone call.

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7. The Infinite Dial 2013, Edison Research and Arbitron.

During lunch, the smartphone is retrieved once again, to submit a review of the restaurant on Yelp, or simply to check in on Swarm to let friends know the best place for a hot dog downtown.

After lunch, on the walk back to the office, our hero hears about a new TV show and searches his phone for the details. After reading several positive reviews, he orders a few episodes, or even a whole season, to watch on the way home. A text is sent to a spouse: "Pizza and a movie?" "Good idea!" By the time the commute home rolls around, the movie is ready to go and dinner is ordered for pickup via a mobile app.

During the movie, a product placement shows up for a new sports car. Once again, the smartphone is employed, and several reviews of the car are found while sitting on the couch. A decision is made: A test-drive seems like a good idea. An appointment is made via email with a local dealer during the movie, and another app is consulted to line up possible financing.

Finally, it's time for bed. An alarm is set on the phone, tomorrow's weather consulted, and a conversation with a spouse points the way to a book that a son or daughter spoke about. The phone is brought out once again, and an order placed with an online retailer; the book will arrive in two days. The lights go out, and our hero goes to bed, to sleep the sleep of champions.

None of what you have just read was possible even five years ago. And yet, nothing here is science fiction or implausible—only new ways to do the things we've always done, like order pizza. That is the point of this chapter: The advances in mobile technology are not about enabling things that were previously unimaginable. These things were all imaginable. What mobile technology enables is the ability to do things where and when we want to do them, plain and simple, and that as much as anything has led to the dramatic rise in smartphone ownership and usage over the past three years. Smartphones make doing the things we already do even easier.

The current state of mobile does not enable some strange or foreign activity, but the ability to engage in the familiar, no matter where we are. In fact, the mobile commerce revolution is not about technology, but rather about what we can *do* with that technology, and how it enables and empowers us to engage in natural behaviors that we didn't even know we could engage in. If you travel to a new city and wonder where you should go for dinner, you've never had more information at your fingertips than you do right now, and mobile technology is a great equalizer in that sense. With near-perfect information available at our fingertips in terms of local business reviews, for instance, the best "mobile" strategy for a restaurant is to be a great restaurant, period. Thanks to mobile review and reservation apps, there's simply no other way to survive in a world with near-perfect, instant, real-time communication.

The Bottom Line

The advances in mobile technology over the past five years are unlike any other advances seen before. Some technological advances open our eyes to things we never dreamed we could do, or even had the language to describe. That's not what mobile technology is about. Instead, the statistics in this chapter underline what is truly powerful about mobile technology: It's not about enabling things we couldn't have imagined. Instead, today's mobile technology enables exactly what the average consumer *could* have imagined, albeit in settings and situations that could not have been predicted.

Mobile technology, and mobile broadband in particular, enables us to consume media, purchase products, and, yes, settle bar bets in situations that were not possible a few years ago. In short, mobile enhances our everyday lives in ways that many of us now take for granted, which is truly remarkable for a technology that is only a few years old. We grew up watching Cliff on *Cheers* telling us about the Egyptians, how World War I started, or the history of capitalism. Today, in the great meritocracy of the mobile world, we *all* have access to that information. The bar bet is over. And the great mobile commerce revolution is just beginning.

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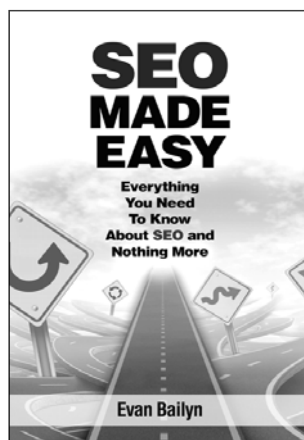# Index

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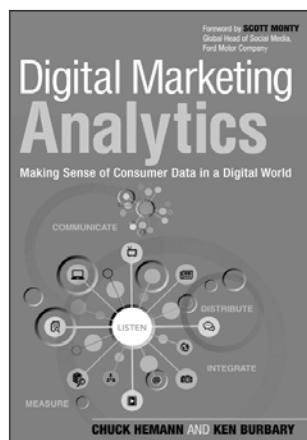
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