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#### Criteo Research Reveals 1 in 3 Online Transactions May Be Misattributed by Marketers Not Using Cross-Device Measurement

- Conversion rates are undercounted by 40%, with similar discrepancies at every stage of the customer journey
- Retailers who lack a cross-device perspective may misattribute up to 31% of their transactions
- Smartphones, tablets and desktops now rank equally as device-of-choice to complete transactions where multiple devices are used

**NEW YORK – February 28, 2017** – Criteo S.A. (NASDAQ: CRTO), the performance marketing technology company, today announced its <u>State of Cross-Device Commerce Report</u> for the second half of 2016. The analysis reveals insights into consumer shopping habits and forecasts predictions for cross-device commerce across the globe. In prior years, Criteo's bi-annual report centered on <u>mobile commerce</u>; however, this edition reflects the need for retailers to deepen their understanding of cross-device consumer behavior and align marketing strategies to maximize ROI.

"Adoption of a cross-device measurement strategy is a critical imperative for all retailers," said Miriam Newton, Vice President, Product Marketing, Criteo. "Marketers not only need to adopt cross-device measurement to ensure proper attribution, but also to ensure their spend is optimized for the channels delivering the highest performance. Retailers who are able to deliver a seamless and personalized customer experience across devices will stand out from the crowd."

## **Research Highlights:**

## **Cross-Device Measurement Means Smarter Spending and Higher Returns**

As customers continue to use multiple devices along the path to purchase, marketers need to take into account how much cross-device shopping may cost in ad waste if they do not have accurate and scalable measurement. Traditional analytics tools look at activities on a device-by-device basis, providing a limited and siloed view of a customer's multi-device journey. Shifting to a user-centric view that leverages advanced cross-device measurement tools can accurately identify a consumer and capture a complete view of their shopping experience. This approach aligns with buying behavior and intent to more accurately report transaction attribution. The case for proper cross-device measurement, identification and attribution is clear:

• Nearly 1 in 3 transactions may be misattributed without cross-device measurement.

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- Conversion rates using cross device are up to 40% higher than a per-device view.
- With user-centric, cross-device measurement, retailers can more accurately track conversion and optimize marketing spend; observed conversion rates are 1.4 times higher in the US than seen with a device-centric approach.
- Cross-device measurement reveals that buyer journeys are up to 41% longer than partial-view models indicate.

# Mobile Will Continue to Be a Dominant Force

The customer journey remains dynamic across devices, but mobile is showing a higher transaction rate with a higher average order size. Key mobile growth data for Q4 2016 includes:

- 36% of all online purchases in the U.S. were completed on mobile, a year-over-year increase of 20%.
- Order values on both smartphones and tablets are increasing. Smartphone spend increased 7% year-over-year, while tablets are approaching transaction value parity with desktops.
- At 55% compared to 45%, respectively, mobile apps captured more transactions than mobile browsers, a trend first noted in <u>Criteo's H1 2016 report</u>.
- Fashion and luxury retailers retained the largest share of mobile transactions, at 41%.
- Sporting goods purchases on mobile grew the most an impressive 30% increase yearover-year – to claim second place.

## Smartphones Are the Key Device in Cross-Device Buying

The adage "browse on your smartphone, buy on your desktop" is officially dead. Consumers now reach for their smartphones for both searching and purchasing, making it even more important for retailers to provide a synchronized experience across desktop and mobile:

- Nearly 1/3 of all cross-device transactions begin with a smartphone.
- Top retailers in the U.S. grew sales from smartphone transactions to 25% of all online retail sales in the second half of 2016, representing a year-over-year increase of 41%.
- Cross-device buyers are fairly evenly represented across the three primary purchase devices: smartphone (28%), tablet (36%) and desktop (31%).

Marketers can no longer afford a siloed view of their customers' shopping behaviors. Savvy retailers offer a seamless user experience across all devices to capture purchases wherever they take place – and, with a cross-device view of the customer shopping journey, they spend their marketing dollars more wisely.

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Download the complete State of Cross-Device report here.

# **About Criteo**

Criteo (NASDAQ: CRTO) delivers personalized performance marketing at an extensive scale. Measuring return on post-click sales, Criteo makes ROI transparent and easy to measure. Criteo has over 2,500 employees in more than 30 offices across the Americas, EMEA and Asia-Pacific, serving over 14,000 advertisers worldwide and with direct relationships with thousands of publishers. For more information, please visit <u>www.criteo.com</u>.

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