

# Consumers Flock to Shopping, Travel and Hospitality Mobile Apps

Security threats lurk as cyberattackers target customer detail as mobile usage grows during the pandemic.

As brick-and-mortar retailers and restaurants operate with reduced hours and social distancing, many consumers opt to use mobile applications to shop and order food for takeout or delivery. Meanwhile, travel and hospitality mobile app usage are rebounding after restrictions eased.

Retailers, grocers, food delivery services and travel and hospitality companies significantly expanded their mobile presence in recent years by launching new apps or enhancing them with new features to meet demand, improve customer service and grow revenue. However, they must develop mobile apps that are secure and protect consumer privacy or they risk data breaches and compliance failures that can lead to revenue and customer loss.

**\$28.1 billion**

Estimated increase in digital shopping revenue via smartphone in 2020, equating to 55% YoY growth<sup>2</sup>

## Mobile Shopping Surges

Mobile shopping is on the rise as 59% of Americans prefer to shop on their smartphones and tablets.<sup>1</sup> That's particularly true of Millennials and Gen Z'ers: 90% of 25-to-34-year-olds and 78% of 18-to-24 year-olds prefer mobile shopping.

E-commerce boomed during the first half of 2020 in large part due to the pandemic and reached growth that would normally take four to six years to achieve, according to App Annie.<sup>3</sup> In Q4 2020, U.S. consumers are expected to spend one billion hours in shopping apps on Android devices, a 50% increase from Q4 2019.<sup>4</sup> Digital-only storefronts such as Amazon, eBay Shop and Wish and apps from traditional brick-and-

mortar retailers such as Kohls, Target and Walmart make it easy for people to do their holiday shopping without leaving their couches.

People also hunger for food delivery services such as mobile apps from DoorDash, Grubhub and Uber Eats during the pandemic. Average weekly sessions of food and drink mobile apps jumped 45% in Q2 2020 from Q4 2019.<sup>5</sup>

Not surprisingly, travel and hospitality app traffic dropped during the height of the pandemic. But mobile usage of airline apps and websites increased 22% between

April and August 2020, while hotel, resort and home-sharing apps and sites rose 65%, according to Comscore.<sup>6</sup> Overall, travel app usage grew 30% in the United States during the summer and Airbnb, Google Maps and VRBO were popular.<sup>7</sup>

## Consumer Mobile Apps Boost Convenience

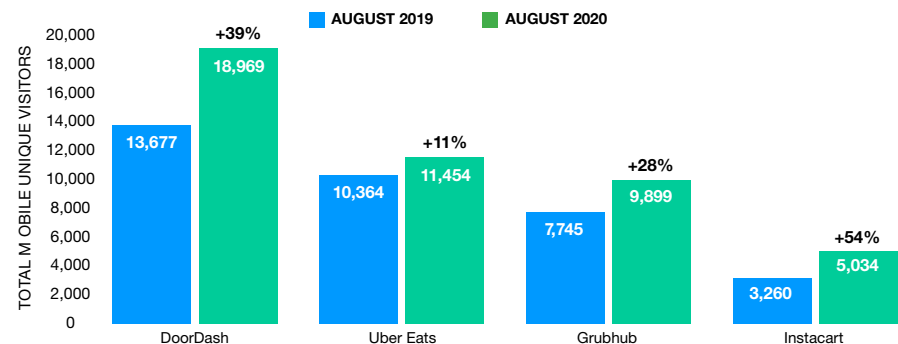
Innovations in shopping, travel and hospitality apps improve convenience and help keep consumers safe. Some recent enhancements include:

- **Contactless features:** Delivery services DoorDash, Grubhub, Instacart and Postmates added no-contact delivery options to their apps, while grocer apps like Kroger and Walmart now offer mobile checkout apps and curbside delivery. Virgin Hotels joined other hotel chains including Hilton, Hyatt and Marriott in allowing guests to use their phones as digital room keys and check in and check out without having to visit the front desk.<sup>8</sup>
- **Same-day delivery:** DoorDash inked deals with PetSmart and Walgreens,<sup>9</sup>

## Appetite for Food Delivery Mobile Apps Grows

The chart below shows year-over-year growth of total mobile unique visitors of food and grocery delivery apps in 2020.<sup>6</sup>

US TOTAL UV YOY CHANGE - AUG '19 TO AUG '20 - SELECT MOBILE FOOD ORDERING & DELIVERY APPS WITH UV (000) > 500





while Instacart partnered with Bed, Bath & Beyond, Best Buy and Sephora to offer same-day deliveries of wares.<sup>10</sup>

- **Augmented reality:** With consumers worried about social distancing, retailers such as Macy's increasingly add augmented reality features to their mobile apps to help customers shop and virtually try on clothes and other merchandise.<sup>11</sup>

## Shopping apps fuel the e-commerce boom sparked by COVID-19.

### Security and Privacy Issues Abound

As retail, travel and hospitality brands increase their reliance on mobile apps, they must address mounting security and privacy threats. Such incidents result in lost business, brand reputation and regulatory fines.

A NowSecure review of 410 Android and iOS retail, food, travel and hospitality apps found that 73% leak sensitive data such as username, geolocation or device. And keep in mind these recent mobile app security breaches that occurred in 2020:

- **Walgreens** warned that its mobile app exposed customer information such as name, prescription details, store number and shipping addresses.<sup>12</sup>
- **Marriott** disclosed a security breach that exposed personal data of 5.2 million users of its Marriott Bonvoy loyalty app.<sup>13</sup>
- **Tim Hortons** was investigated by the Canadian government due to concerns about its mobile ordering app's data gathering practices. The app reportedly continually tracked customer locations and visits to competing stores.

### Protecting Mobile Apps and Mobile Customers

Retail, travel and hospitality brands can better protect their customers

**73%**  
of retail, travel, food and hospitality apps leak sensitive data



by adopting best practices for security by design and privacy by design supported by testing for issues throughout the software development lifecycle.

Automated mobile application security testing tools enable AppDev, AppSec and DevSecOps teams to test apps on demand or perform continuous security testing directly in the development pipeline. The NowSecure solution analyzes risks of Android and iOS mobile apps so organizations can quickly address them and ultimately deliver high-quality secure mobile apps faster.

### About NowSecure

NowSecure offers a comprehensive suite of automated mobile appsec testing solutions, penetration testing and training services to reduce risk. Trusted by many of the world's most demanding organizations, NowSecure protects millions of app users across banking, insurance, high tech, retail, healthcare, government et al. The company is SOC2 certified and was recently named a mobile security testing leader by IDC, a DevSecOps transformational leader by Gartner, and a Deloitte Technology Fast 500 winner.

Visit [www.nowsecure.com](http://www.nowsecure.com) to discuss strategies for strengthening the security of mobile apps without slowing down developers.

### SOURCES

- <sup>1</sup> App Annie, "[Mobile Minute: eCommerce Marketplaces Expand as COVID-19 Continues to Drive Mobile Shopping.](#)" July 2020
- <sup>2</sup> CNBC, "[Surge in Online Holiday Shopping Will Pack 2 Years of Growth Into One Season, Adobe Says.](#)" October 2020
- <sup>3</sup> App Annie, "[How COVID-19 Has Changed Consumer Behavior on Mobile Forever.](#)" August 2020
- <sup>4</sup> App Annie, "[Mobile Minute: US Consumers to Spend 1B Hours Shopping on Mobile This Holiday Season.](#)" September 2020
- <sup>5</sup> Mobile Marketer, "[Holidays Will Drive Mobile Shopping to Record Highs, App and Annie Predicts.](#)" September 2020
- <sup>6</sup> Comscore, "[Global State of Mobile.](#)" November 2020
- <sup>7</sup> App Annie, "[Mobile Minute: Summer Spurs 30% Growth in Travel Apps.](#)" September 2020
- <sup>8</sup> Hotel Technology News, "[Virgin Hotels Upgrades Its Mobile App With Contactless Features.](#)" July 2020
- <sup>9</sup> Retail Dive, "[PetSmart to Offer Same-day Delivery Through DoorDash.](#)" September 2020
- <sup>10</sup> Retail Dive, "[Sephora Enlists Instacart for Same-day Deliveries.](#)" September 2020
- <sup>11</sup> Business Insider, "[Retailers like Macy's, Adidas and Modcloth are Turning to Virtual Fitting Rooms to Let Consumers 'Try On' Clothing Before Buying It Online.](#)" August 2020
- <sup>12</sup> Health IT Security, "[Walgreens Reports Data Breach From Personal Mobile Messaging App Error.](#)" March 2020
- <sup>13</sup> ZDNET, "[Marriott Discloses New Data Breach Impacting 5.2 Million Hotel Guests.](#)" March 2020