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## Five mobile commerce predictions for 2011

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By A LUXURY DAILY COLUMNIST

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'Tis the season for predictions, so I thought I would share a few thoughts on what to expect with mobile commerce in 2011.

I do not have anything big and bold to predict, but think that there are five hot areas to watch:

1. Transformed in-store experience. Perhaps more than anything else, mobile represents an opportunity for retailers to transform the in-store shopping experience.

This ranges from using the iPad as a display unit to more strategic uses, such as allowing customers to do competitive price comparing and training staff to support this experience, enabling sales associates to use mobile devices for speedier checkout and consumer self-checkout.

While we probably will not see a revolutionary change in the in-store experience in 2011 with mobile devices, we will start to see a more widespread emergence and innovative uses of mobile that will define the future of shopping.

2. Mobile payments. Several alternative mobile payments methods emerged in the past 12-18 months, all of which helped consumers become used to using their mobile devices as a payment method when shopping.

Google Checkout and iTunes keep users' billing information and make it easy for mobile users to check out.

Visa and MasterCard have their own applications, and Paypal has made mobile payments a core part of its strategy. Several startups focused on mobile payments have also emerged, including Zong and Fortumo.

Retailers such as Target and Starbucks support mobile gift card payments, allowing consumers to scan gift cards at point of purchase.

Using a mobile device will accelerate in 2011 with the reported release by Apple of the NFC chip in next version of the iPhone.

With such a high rate of adoption of the iPhone among smartphone users, using a mobile device as a payment method could take off in 2011.

3. Mobile couponing. With one third of U.S. consumers saying they are likely to use mobile couponing – this number is even higher in some international markets – it is easy to see how mobile couponing will take off in 2011 and beyond.

Shoppers already understand the concept of couponing, and retailers such as Best Buy and Target use couponing in their mobile shopping experiences.

What makes mobile couponing so intriguing is the rise of location based-driven offers.

Retailers are partnering with services such as shopkick, which has seen early success with The Sports Authority, and Checkpoints.

Other retailers are providing location-based offers through Foursquare – Gap's success on Foursquare is a good example – and Gowalla.

An increasing number of retailers will adopt mobile couponing in 2011, with location-based offers becoming even more critical.

Smart retailers will combine location based checkins on their own mobile sites, providing location-specific offers to shoppers.

4. Facebook + Mobile. Mobile is the logical place for social shopping to occur since shoppers who are in-store like to leverage their social network for making purchases and sharing experiences.

Social shopping is already an integral part of the mobile shopping experience with sharing on Twitter, checking in on Foursquare and sharing haul videos. This will accelerate in 2011, with Facebook at the forefront.

Retailers are just starting to understand the power of Facebook's Open Graph API "Like" capability and social plugins, and very few have leveraged this effectively in a mobile

experience – a real opportunity in 2011.

Retailers will also start to leverage Facebook Places and Facebook Deals along with Facebook as an additional storefront. An example is J.C. Penney's recent launch of a Facebook storefront, making Facebook commerce –fcommerce? – an emerging opportunity in 2011.

5. Mobile Web applications. By now, most retailers understand that they need to have a mobile strategy starting with the mobile Web.

Many retailers also understand that native applications make sense as well.

However, in the future, needing both will no longer be necessary with the closing gap between native apps and the mobile Web.

Mobile Web applications, or hybrid applications, will become more widespread in 2011, although technology will not reach a point that will allow users to do everything in Web applications that they could in native applications.

Innovative retailers will start to embrace mobile web applications in 2011, simplifying their mobile strategy while laying the foundation for a richer mobile experience of the future.

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