

The News and Intelligence You Need on Luxury

COLUMNS

New in-store shopping experience: How retailers can drive sales with apps

September 14, 2015



Robi Ganguly is cofounder/CEO of Apptentive

By A LUXURY DAILY COLUMNIST

By Robi Ganguly



The way customers shop is rapidly changing with the introduction of mobile commerce. Earning sales can be difficult for retailers in the increasingly crowded mobile landscape, and the relationships they have with their customers is becoming increasingly complex.

Many retailers are still learning how to become omnichannel brands in a way that is impactful and sustainable.

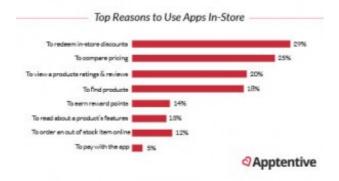
Setting store by apps

To help demystify the complex world of retail shopping, we conducted a consumer survey about retail application usage.

Interestingly, 51 percent of respondents who use retail mobile apps use them while shopping in-store, yielding a large audience of customers that retailers can engage with via mobile apps to enhance their shopping experience, while building customer loyalty and driving in-store sales.

Customers use retail apps in-store for a number of reasons, including redeeming in-store

discounts, comparing prices, viewing product ratings and reviews, and to find products.



Top reasons for using apps in-store

Retailers are presented with a unique opportunity through mobile apps: A new way to engage their customers on a personal level.

Personalized customer engagement is a huge driver of sales and customer loyalty.

By engaging customers via mobile apps, retailers are able to deepen their understanding of their customers' wants and needs.

Understanding customers' wants and needs is one of the most important, yet challenging, aspects of business.

But retailers who are able to inherently understand their customers on personal levels will have an advantage.

Based on our survey results, redeeming in-store discounts is the most common use of retail mobile apps while in-store.

Notifying customers there are special discounts waiting for them in a brand's mobile app for in-store use will help drive in-store traffic and, subsequently, sales.

Personalizing the experience for customers is key, and having the ability to send customers targeted promotions based on their interests is extremely valuable.

Customers are always eager to pay the best price for products that they want to purchase.

Tech-savvy customers have learned to use retail mobile apps to their advantage by comparing prices while they are in-store checking out merchandise.

Open season for returns

Allowing customers to redeem in-store discounts via their mobile app makes retailers nimble and price competitive since the customer is already in the store with their desired item in hand.

The lure of instant gratification is powerful in our culture, and should not be underestimated.

Allowing customers to view a product's ratings and reviews while shopping in-store can also help mitigate return rates.

If a customer sees an item that she is interested in, but it has negative reviews, she may choose another item instead.

Checking ratings before purchasing allows the customer to avoid a negative experience, and empowers her to make the best choice the first time around. This helps retailers achieve and maintain low return rates.

Returns are a big issue for retailers immediately following the holiday shopping season.

The struggle of post-holiday returns has come to be expected in the industry, but it does not need to remain the case.

Maintaining low return rates during the first quarter can translate to millions of dollars saved for retailers, which alone can justify investing in a valuable retail mobile app.

Helping customers find products in your store via mobile app should be a no-brainer.

During the holiday season, customers outnumber sales associates by intimidating ratios.

Giving customers the ability to find what they are looking for without having to wait for a free sales associate will enhance their shopping experience by making them more efficient.

Everyone is busy during the holidays, so customers will appreciate retailers who empower them to save time.

ENHANCING CUSTOMERS' shopping experience is key.

Even if mobile apps are not generating in-app revenue, retailers cannot ignore the value that retail apps provide their customers.

By investing in valuable mobile apps that enhance the shopping experience, retailers will build customer loyalty and drive sales.

The impact that retail apps have on in-store shopping can be capitalized on if retailers listen to and deliver what their customers want.

In-store app usage provides retailers with great opportunities to engage their customers on a personal level.

Mobile apps are a critical part of engagement in today's tech world, and their popularity is only going to grow.

Robi Ganguly is cofounder/CEO of Apptentive, Seattle. Reach him at robi@apptentive.com.

© Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your feedback is welcome.