

COLUMNS

## 5 ways that bricks-and-mortar retailers can cater to mobile-savvy shoppers

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By A LUXURY DAILY COLUMNIST

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The make-or-break holiday shopping season is upon us, spurring retailers to determine where they want to speak to would-be customers, how often and with what messages.

If only the would-be shoppers were open to listening.

Sure, a meaningful segment of consumers are still reachable via mass mediums such as television and print, and others do their purchasing on a desktop and brands and retailers get to them with ads and targeting.

However, more consumers live in a world of self-sufficiency, powered by a mobile device that provides everything from product information to the ability to read reviews.

Mobile devices even enable a customer to "showroom" and find something offered by a competitor just as he or she is spending time in one retailer's aisle.

How important is it for businesses to reexamine their definition of differentiated customer service to cater to the ever-increasing "self-sufficient" mobile shopper?

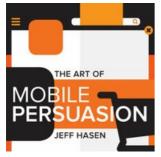
Very.

Art and science

According to a report released by the Consumer Electronics Association, more 58 percent of shoppers who use mobile devices indicated that they prefer to look up information on their devices while shopping, rather than talk to store employees. This was especially true among men and shoppers ages 25-44.

Nearly two-thirds (62 percent) of mobile shoppers perceived the information they gather via their mobile device as more beneficial than the information available in-store via product displays or sales literature.

What is a retailer to do?



The Art of Mobile Persuasion, by Jeff Hasen (Frontier Press, June 2015)

Through conversations with mobile and business pioneers interviewed for my new book, "The Art of Mobile Persuasion," there are five ways that bricks-and-mortar businesses can evolve their operations to meet the challenges of the 2015 holiday selling season and beyond.

1. Embrace the mobile era rather than curse its very existence

If you are Lowe's, a Fortune 100 home improvement company and Southeastern septuagenarian, you practice what you preach and "Never Stop Improving."

Sean Bartlett, director of digital experience, product and omnichannel Integration at Lowe's, led an initiative by the chain to put 42,000 iPhones into the hands of sales associates as a way to help customers get a more satisfying experience from its iPhone application.

That was no small endeavor.

Lowe's serves approximately 15 million customers a week in the United States, Canada and Mexico. With annual sales exceeding \$50 billion, Lowe's has more than 1,830 home improvement and hardware stores and 260,000 employees.

The intent was to create a virtuous circle by enabling sales people to help their customers.

Lowe's mission of innovation continued with the introduction of "product locator" mobile technology to make shopping easier.

Lowe's customers can find more than 100 million precise, in-store product locations and store services via customized, interactive maps displayed on their smartphones.

"That's obviously a big nod to the in-store experience and making it more efficient," Mr. Bartlett said. "Our stores are generally in the 100,000-square-foot range with a couple of dozen aisles that are fairly long, so to the extent that we can get people to the product that they want, we're going to push for it."

## 2. Personalize the experience

My sister-in-law and I both shop in REI, but we could not be more different.

An ideal hike for me is a walk to a pretty, quiet area that has a running stream and birds singing. The distance is secondary and could be so short that I can still eyeball my car in the parking lot.

My sister-in-law is a former triathlete and still is more active than 95 percent of people half her age. She hikes for full days.

I want REI to provide the basics so I do not get mosquito bites or an itty-bitty blister.

My sister-in-law wants to know how and where the hiking shoes were made, and whether they will withstand heavy use.

In-app, in-store and through messaging from REI that we may both opt-in to receive, each of us expect to be treated as individuals, not as part of some homogenized customer database.

3. Rethink very the concept of customer service

In such retail establishments as REI, the human touch will always be emphasized.

The company's famed Green Vests know more about varieties of kayaks, climbing walls and the like than one could possible imagine. And that has been a differentiator.

Now REI looks at mobile devices as a complementary customer service tool.

"When you look at the loyal users, say someone who has the retailer's app, in our case REI, based on preferences and what the customer has opted in to receive, and say we create some sort of in-store mode which a lot of retailers are looking at for their mobile app to work when someone is in the physical retail store, based on what the customer has opted in for that may be relevant based on that behavior," said Jeff Klonowski, REI's director of digital retail for mobile and business development.

"Then you are saying, OK, you popped into the REI app in store. Here's a feature set. And by the way, you did look at this item, here's where it's at in the physical store. Do you want more information or can we lead you to it?"" he said.

4. Stay on the right side of the privacy line

Different types of information elicit different levels of sensitivity among U.S. consumers, according to a report by the Pew Research Center's Internet Project.

Social security numbers are universally considered to be the most sensitive piece of personal information, followed by health information and content of phone conversations.

Media tastes and purchasing habits are among the least sensitive categories of data.

Still, there is a creepiness factor at play when an advertiser or retailer reaches out to someone with information that the recipient views as invasive.

There was large disagreement among those I interviewed about where the line is.

Some thought reaching out to someone in store the day after that person viewed an item online is fair game. Others thought it becomes creepy if the outreach spans too much time.

The prevailing opinion was for businesses to practice a policy that falls well short of the invasion line.

5. Rework the definition of fulfillment

Amazon has led the product delivery evolution, bringing such options as same-day delivery to only raise the expectations of many consumers.

The wise bricks-and-mortar retailers will provide choice, even going so far as facilitating curbside pickup and alerts to opted-in mobile users when an item such as a bicycle is built and is ready to go to its new home.

SMARTPHONES MAKE customers smarter. We are not going back in time.

The winning retailers will find ways to use the mobile device as a tool for better engagement that will drive loyalty and sales.

Those who are not as successful will be as slow as I am in the latter half of my "strenuous" hikes.

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