

RESEARCH

Relevancy and geo-location are key mobile strategies for 2016: EKN Research

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Mobile shopper, image courtesy Michael Kors

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Retailers looking for mobile success in 2016 will need to focus on geo-targeting to provide in-store customers with more relevant experiences, an EKN Research analyst said during a Mobile Marketer webinar Dec. 2.

While mobile and digital commerce have become key sources in generating revenue and providing individualized experiences, the bricks-and-mortar experience is significantly lacking, and geo technology is likely to aid in this area. Retailers that pair SMS, loyalty programs, mobile couponing and messaging along with geo-location technology will be hitting the right marks in 2016.

"In the next 12 months to 24 months according to me, there will be a shift in retail stores," said Sahir Anand, vice president and principal analyst at **EKN Research**. "Retail stores want to be relevant, they want to be personalized and they want to be dynamic towards the customer's needs.

"They will have to be more centric on a new customer service model," he said. "The new customer service model means there needs to be location-based messaging and location-based customer engagement.

"That is what drives the next level of conversion and revenue. That is where retail is headed."

The webinar was organized by Luxury Daily sister publication Mobile Marketer and sponsored by **CodeBroker**.

Beacons vs. WiFi

While geo-location will clearly be a front-runner in 2016's in-store activations, retailers need to determine the best technology that will work for them. Beacon has been a buzzword in 2015's retail industry, but many have mentioned limitations with the technology.

It is up to the individual retailer to determine what will fit into its plan. Many customers are more comfortable with Wi-Fi than they are with Beacons, and retailers need to determine how it can fit into their strategy.

Wi-Fi opens up the capability to better track in-store shoppers and their customer behavior, which is crucial for retailers attempting to serve more relevant experiences. This can help retailers gain better control of marketing to customers and creating an optimized experience.

For instance, 38 percent of retailers are at par with competitors in terms of in-store customer engagement and 62 percent are only moderately or slightly satisfied with their ability to send location-based personalized promotions to customers.

Also, retailers can only identify 49 percent of in-store customers in terms of demographics and psychographics.

Five mile radius

Another panelist stressed the importance of creating a geo-targeting barrier of five miles, with many retailers' content proving to be irrelevant to customers past that amount of distance.

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Retailers looking into geo-location should also make sure to serve highly specific call-to-actions through messages. Customers should be prompted to act immediately with explicit directions on what to do, paired with content they want to engage with such as a product discount.

"We looked at numbers such as four, five, six and ten miles all the way through and really the drop off seems to be about 5 miles," said Greg Janssen, director of emerging products and mobile, [Rocket Fuel](#). "I think the takeaway that we have been telling clients going forward, is that when you are doing geo-location targeting inside five miles is great.

"For some stores three miles might be better," he said. "But really five miles is the thing you want to look at for the range.

"Also, specific actionable items need to have detailed offers. You want to say do this to get this and come here now for this offer."

Final take

Brielle Jaekel is editorial assistant at Mobile Marketer