COLUMNS

The mobile customer is the new king in retail

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By A LUXURY DAILY COLUMNIST

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We are currently in the midst of what Forrester Research calls a "Mobile Mind Shift." Fueled by device proliferation, people are turning to their mobile phones for instant answers and gratification, and this is changing the world of technology as we know it.

Consumers today expect a no-wait, self-service environment. In fact, back in 2011, Gartner noticed this change beginning, predicting that customers will manage 85 percent of their own relationships with an enterprise by 2020 without human interaction.

This shift is a concept with which retailers are already familiar since mobile greatly affects how products and services are sold on a daily basis.

Consumers are using mobile devices for browsing, sharing, comparing and purchasing, and businesses are using it to improve sales, marketing, customer care and supply chain management, among other use cases. This means that having a proper mobile strategy in place goes beyond differentiation it is a matter of survival for retailers.

As mobile consumers engage more directly with brands, retailers have the potential to make their communication more targeted, personal and relevant than ever. And, with a predicted 50 percent of all in-store sales to be influenced by mobile over the next decade, forward-thinking brands that are able to capitalize on this opportunity will lead the market.

Below are the top three ways that retailers are using mobile to create the best possible mobile moments with consumers today.

1. Reaching the customer
There are two main tools that retailers employ when trying to reach their customers on their mobile devices SMS messaging or mobile applications and the debate between these two options is nothing new.

While they both have their benefits and shortcomings, it is important that retailers deciding on their mobile engagement strategy understand the differences between each channel when making a decision.

Let us take mobile apps. They can certainly provide a rich experience for power users.

Businesses can offer a more extensive and interactive experience through the apps platform, but they are only supported on smartphones and tablets. Therefore, a company is limited to targeting only these types of users.

Forrester recently reported that, out of time spent in apps on smartphones, only 5 percent is spent in retailer apps. Additionally, mobile Web audiences are two times larger than app audiences and growing faster, according to comScore.

On the other hand, the strength of SMS, or text messaging, is its reach and ease-of-use.

SMS is compatible with all mobile phones, making it a ubiquitous channel that can reach every consumer.

Moreover, 90 percent of text messages are opened within five minutes of delivery.

So, whether it is sending an exclusive coupon via SMS to a customer who has opted in for mobile updates from a store, or alerting consumers about special promotions such as free shipping, SMS provides a great advantage for retailers looking to reach customers quickly on their mobile devices.

2. Getting to know the customer
Regardless of whether a retailer is using SMS or a mobile app, another effective mobile strategy these companies can implement is using mobile to poll their customer base.

This consists of sending a short survey to a customer at specific points in the lifecycle to get to know the customer better or solicit feedback on his or her in-store or online purchasing experience. Retailers can quickly garner feedback and understand the customer's experience as close to real-time as possible.

Mobile surveys are simple, quick and very effective, and they often give the consumer more incentive to return and be a repeat customer.

For example, a woman buys a camera from a store. After she has checked-out with her purchase, she receives an in-app prompt or text message to participate in a brief survey to measure her store experience and the ease of the checkout process.

For participating, the store later sends the customer a mobile coupon to use on her next purchase. Not only does she feel important and valued, the retailer has received valuable feedback on where improvements could be made in the customer journey.

3. Enticing the customer
The traditional way of using mobile to engage retail customers has been through the distribution of coupons.

While this process is still important, it has evolved beyond its traditional form to embrace the customization and immediacy that today's consumers crave. These coupons are tailored specifically to each user, and are timed strategically in their delivery.

For example, a man has his eye on a green shirt and blue shirt at his favorite retailer. Using near-field communication (NFC) tags, he scans the tags of both shirts with his phone. In doing so, he triggers an exclusive offer for "2 for $40" for the shirt pair. He receives the coupon and, excited about the deal, heads to the register to redeem the offer.

IN RETAIL, the customer has always been king. However, it is clear that now the mobile customer reigns king.

Retail processes and experiences are moving beyond traditional channels such as desktop purchases, making timely and relevant communication fundamental to the brand experience.

Today's smart and savvy consumers expect prompt and personalized service. Only mobile allows retailers to cultivate more loyal and responsive customers with ongoing, relevant interactions throughout the entire customer lifecycle.

By connecting with the right people in the right ways, mobile increases loyalty and improves revenue streams long-term.

Mobile is the preferred communication channel of many consumers today, especially millennials.

Retailers that adopt mobile will be able to better serve their customers and simultaneously drive business. And, as mobile continues to evolve, it is clear that the technologies and use cases listed above are just the tip of the iceberg.

Companies who are able to jump on board and ride this wave will find themselves grateful that they did. They will be

able to keep consumers close to their brand and ensure that they are reaching them in the fastest, most effective way possible.

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