

COLUMNS

## Mobile's biggest opportunity is not advertising or an app

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*Roger Humi is managing partner and chief creative officer of Off Madison Ave*

By A LUXURY DAILY COLUMNIST

By **Roger Humi**

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For most brands, the use of mobile as an effective messaging vehicle is still an enigma, and beacon technology is not even close to being taken seriously by brands or shoppers.

Despite Google's prediction that 85 percent of the top 100 retailers will have beacon technology in place by the end of 2016, true mainstream adoption on either side is still probably a couple of years away. Why? Well, like most new tactics, brands are simply not applying the right strategies to employ beacons effectively.

To date, a marketer's mobile strategy has been focusing on driving better engagement with applications or gaining more relevancy in mobile advertising placements.

However, the greater opportunity is right around the corner: geo-relationship engagement. It is a form of proximity marketing in which a brand engages with customers in real-time at store level sometimes without ever sending them a single mobile message.

### Shining light

With geo-relationship engagement, the opportunity for a brand is not getting customers to the store or making a purchase. It is giving them an experience that is personalized to the point of exceeding their expectations and, more importantly, one their competitors cannot match.

So many brands still have a simplistic view of mobile, thinking doing mobile involves a responsive Web site, an app and maybe some SMS campaigns or mobile advertising.

But within each of those areas, the work being done is more experimental than strategic. And that is OK. We all need to experiment to uncover the real opportunities in front of us.

That said, beacons and their promise of increased customer interaction is the next playground in mobile. Only now, this positions us so close to the customer we cannot afford to make mistakes. That means any experimenting better be strategic and non-intrusive to ensure that we are piquing customer interest and not driving them away from the start.

Here is where the strategy comes in.

## Right slot

By overlaying the data you already have on a specific customer with a location-based marketing technology you can read that as beacons or geo-fencing with a marketing messaging platform brands can enhance the customer's experience beyond simply sending them coupons. Too many offers too soon will have a negative effect, turning buyers off with advertising that feels more like stalking than rewarding.

To illustrate the potential of this technology, let us look at a casino. Data-rich beacon technology could alert hosts immediately when a specific player is on-property, enabling her to greet the player by name and offer a unique benefit or perk to enhance the visit and perhaps keep him playing longer. That alone will exceed expectations and deliver a more valuable brand experience.

In another example, you could overlay a customer's purchase history with location data to notify a salesperson with the type of choices a customer has already made, which can help refine their sales pitch. That customer engagement becomes a much richer experience, which could lead to additional purchases or even referrals.

YOU DO not want your proximity marketing program to run amok. It is critical to set up the right content and logic so that the beacon messages are not excessive or random.

Furthermore, the importance of understanding the difference between implied and intentional actions can make or break your mobile strategy in a heartbeat.

After all, the real value is not in simply getting a sale, but in deepening your relationship with an individual customer.

Even better, it is something you can do today, before your competitors wise up and jump on the bandwagon. All it takes are the right strategies implemented in the right ways, right from the start.

*Roger Hurni is managing partner and chief creative officer of [Off Madison Ave](#), Phoenix. Reach him at [roger.hurni@offmadisonave.com](mailto:roger.hurni@offmadisonave.com).*

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