

MOBILE

Active in-store WiFi engagements quickly escalating: report

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Image courtesy of Neiman Marcus

By CHANTAL TODE

WiFi availability is nearing ubiquity across all retail sectors, representing a significant opportunity for brands, with merchants such as Whole Foods, Kohl's and Walmart leading the way in terms of time spent connected, according to a Popwifi report coming out on March 31.

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The report, Making Connections: WiFi in the U.S. Retail Sector, found that 11 of the top 20 brands offering quality free WiFi are restaurants or fast food outlets, with BJ's and Olive Garden topping the list. Additionally, smartphone users in the United States consume more data per minute at Starbucks than at any other brand surveyed.

"Historically in-store WiFi has been a passive amenity deployed by merchants as a customer experience value-add," said Dave Fraser, CEO of Popwifi's parent company **Devicescape**. "Now the focus is shifting towards the benefits merchants themselves can derive from their WiFi networks.

"WiFi is becoming an active enabling platform, providing a direct, branded communication channel between merchant and customer," he said. "A simple use case sees the WiFi network used to deliver a welcome notification to the customer's device when they enter the store.

"But WiFi can also be used to drive far more sophisticated, contextual engagement, including real-time, location-aware and two-way communication. This shift is still in its early stages, but it is rapidly gaining momentum."

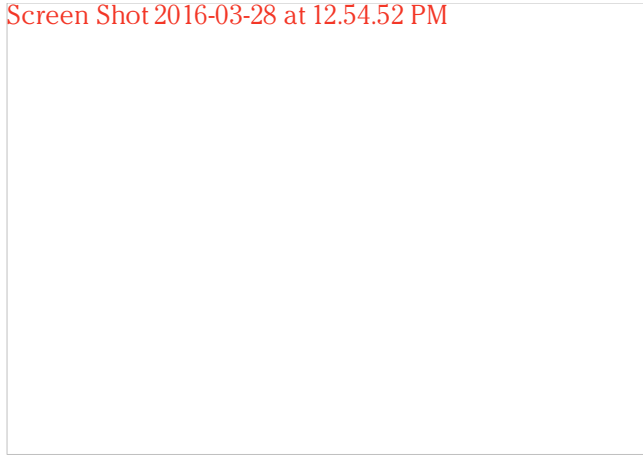
The **Popwifi** report is based on anonymized data from more than 350,000 U.S. smartphones.

A key amenity

An important takeaway from the report is that free WiFi is rapidly becoming a key amenity offered by bricks-and-mortar merchants.

In terms of quality of WiFi service, BJ's and Olive Garden lead, followed by Lowe's, Michael's and Macy's.

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By sector, Publix offers the best WiFi among grocery stores, Macy's has the best out of department stores, Lowe's leads retailers, BJ's among restaurant brands and Taco Bell among fast food brands.

"Smartphone users are connecting at grocery stores, pharmacies, restaurants, big-box retailers, department stores, bars; everywhere they go," Mr. Fraser said. "Meanwhile, the quality of connectivity on offer is very high."

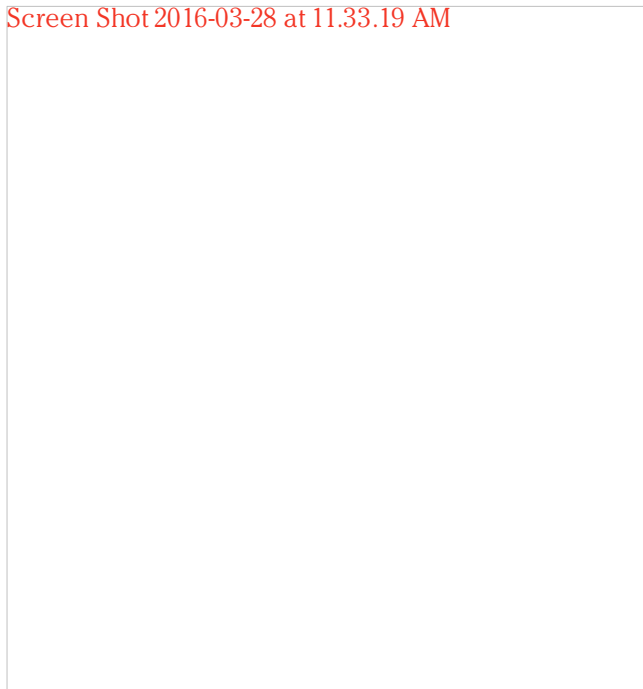
Connection crossover

Popwifi also took a look at how often the same devices connect to the WiFi offered in different locations.

McDonald's and Walmart are the leaders in terms of number of unique devices connected and also see the most interconnection, with more devices connected at their locations also connecting at other locations.

McDonald's and Walmart also see the highest crossover of unique device connections. Other brands experiencing significant crossover rates including McDonald's and Target, McDonald's and Home Depot and Walmart and Target.

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Starbucks is the leader when measuring the volume of data consumed by unique device, followed by Whole Foods Market, Walmart, Kohl's and JCPenney.

In terms of time spent connected, Whole Foods Market comes out on top, followed by JCPenney, Kohl's, Walmart and Starbucks.

Starbucks also leads when it comes to the rate at which data is consumed, followed by Sheetz, Apple, McDonald's and Whole Foods Market.

A network of networks

The top 40 brands by number of unique devices connected in November 2015 delivered a total of 13.5 Terabytes to the Popwifi sample base.

"The fact that customers are connecting to shared WiFi in such large numbers, and at so many venues, represents a huge opportunity for brands in all of the sectors we surveyed," Mr. Fraser said. "A connected customer has already taken the first step towards a level of engagement that offers genuine value to customer and merchant alike.

"So merchants need to make it easy for their customers to get connected in-store, and they need to find a way to use those connections to engage with their customers," he said. "Merchants also need to understand that their customers are routinely connecting to WiFi at many different venues, each one part of a vast network of networks' which collectively represent a huge engagement channel."

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