

COLUMNS

## How retailers should handle a mobile-empowered customer

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By [Jason Goldberg](#)

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The technology evolution of the past several years has unleashed a wave of savvier shoppers who are smarter and more agile spenders.

The customer is back in charge, and that is changing the game across all channels: Web, in-store and catalog.

The emergence and rapid adoption of mobile shopping tools is poised to fundamentally change consumer behavior.

We can already see strong examples of shoppers' expectations changing and retailers offering new shopping experiences as a direct result of mobile.

Cross-channel currents

Mobile has the potential to bridge the divide between online and offline environments.

As customers become more demanding about crossing several channels on the path to purchase, they expect retailers to be able to follow them wherever and however they choose to shop.

Yet many retailers who consider themselves cross-channel are still struggling with a

heavily siloed and disconnected environment.

Each channel comes to the current environment with a different legacy of strengths.

For instance, the Web is light years ahead in analytics and customer data collection.

On the other hand, bricks-and-mortar retailers tend to be more advanced in their understanding of the psychology of the decision-making process and customer experience.

Refreshingly, mobile allows retailers to begin applying the strengths of any given channel across all others, with less of a learning curve than in past evolutions because retailers can apply the lessons that they are learning about understanding customer behavior in real-time.

Also, applying these lessons in real-time creates a considerably better shopping experience that will meet the high expectations of the empowered customer.

2D or not 2D

In the past, retailers struggled to tie online behavior to in-store patterns.

For example, it was possible online to measure how many times a shopper looked at a product or how many different products they considered.

Mobile devices now serve as a physical “cookie” for in-store behavior in the same way that online retailers are able to use browser cookies.

Location-based marketing programs allow us to see how many times a customer visits a store during her decision-making process.

Indeed, 2D bar coding such as the QR codes used by Best Buy allow us to see which specific products a shopper evaluated and the path that they took through the store on their way to a purchase decision.

Mobile-friendly point-of-sale scanners such as those recently deployed by Starbucks allow us to track promotional offers online which are redeemed in store.

Also, location-based marketing programs allow us to track purchase decisions that began in-store and are completed on-line.

PS on POS

In addition to this insight into customer behavior, mobile allows retailers to translate that understanding into a more seamless cross-channel experience.

Retailers are now able to:

- Make offers and promotions to online shoppers that drive them into the store for redemption via their mobile devices
- Tie online product research and “pretailing” to final purchase decisions made in the store

- Attach online replenishment and recurring services to a purchase made at a physical POS
- Leverage in-store shopping and buying behavior to improve real-time suggestive selling and product recommendations online
- Allow shoppers to use the physical store to do research and build shopping lists that can then be fulfilled online (by themselves or by gift-givers)
- Give an in-store sales associate a complete picture of a customer's browsing and buying behavior to enable a better clienteling experience

RETAIL HAS ALREADY begun reacting to customer demand, and companies have been moving to create true cross-channel experiences.

Retailers are also implementing technologies that allow customer, inventory and promotional information to be consistently available across all channels.

This evolution, combined with the opportunity mobile presents, will allow for a level of customer empowerment that far exceeds anything we have seen before, and customers' expectations will quickly rise as a result.

Retailers must be ready to respond to this level of customer empowerment. It is a brave new world, and I cannot wait to shop in it.

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