

COLUMNS

## Mobile disrupts the retail channel: Opportunity or threat?

March 1, 2012



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By A LUXURY DAILY COLUMNIST

By [Angelo Biasi](#)

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Unlike any other marketing tactic, mobile has the unique opportunity to severely disrupt the retail channel in the coming months.

Whether it is in-store engagement strategies, alternative point-of-sale displays or proximity-based space wars, expect skewed revenues thanks to mobile technologies and services.

Intelligent manufacturers and retailers are quickly marking territory early on, before the possibility of pending rules and restrictions.

That can translate big for mobile marketers with specialty skill sets and ninja-like instincts who not only understand the opportunities but also can quickly execute.

Here are a few examples to consider to stay ahead of the curve:

**In-store mobile customer experience**

Large retailers such as Target, Macy's and Best Buy are making sufficient efforts at containing the in-store shop-learn-buy experience for consumers by way of mobile

devices.

From QR codes to mobile Web sites to applications, the intent is to blanket the in-store customer mobile experience under the retail brand before that customer has the inclination to either price shop or find an alternative retailer.

This does not stop manufacturers, however, from providing their own mobile customer experience via QR codes on packaging or freestanding inserts, for example.

In smaller retail stores or those where mobile has yet to ignite, this opens the door for those manufacturers and even online retailers to strike, engaging customers and their wallet on the retailer's own turf.

I have seen apps that contain online ordering alternatives distributed right at the bricks-and-mortar point of sale, without the retailer's consent or with any knowledge of the total mobile user experience.

Alternative point of sale

Brands are also experimenting with alternative point of sale outlets, using mobile.

Bringing the store "to" the customer by mobilizing traditional print ads, display or billboards, to name a few, can have far reaching benefits.

Be on the lookout for more integrated use of print advertising in specialty trade and special interest consumer publications that reach an ultra-targeted, pre-qualified audience.

Add a simple QR code or mobile Web address with a call-to-action that leads to a commerce-enabled mobile app or Web site versus a QR code that leads to a YouTube video, where you quickly lose track of a sale and that marketing immediately transforms to a retail venue.

This retail extension adds ROI value to traditional media spend that most general and direct marketers will find refreshing.

Small businesses are also getting in the game by using do-it-yourself app creation tools to build mobile retail kiosks by way of tablets for sales in alternative outlets.

Imagine a point-of-sale tablet experience with online ordering, live customer service representative, product comparisons and demo videos—all by way of a mobile app—in areas where your customers congregate, outside of existing channels?

The audience awareness and penetration coupled with no inventory or sales personnel can easily equate to decreased cost to serve the customer and enhanced profitable customer acquisition opportunities.

Space wars

Location-based mobile technologies are presenting new marketing opportunities to geo-fence customers and lure them in to their own or away from their competitors' retail outlets.

In this example, the air and space become valuable marketing inventory.

Technology such as Blu-tooth, Wi-Fi and text messaging is testing customer loyalty the further or closer they are from the strongest mobile brand marketer.

Imagine an app that pushes notifications to your flower shop the closer a prospective customer gets to your competitor's shop? The same can happen around traditional advertisements.

For example, a proximity box or Wi-Fi-enabled network with mobile offer can be set to trigger a \$2 coffee offer from Joe's Cafe within a specific radius of each Fred's Café billboard for a \$3 coffee, along the highway.

This might seem sneaky on the surface, but it is Fred's space or air – and business – to lose if he is unaware of how efficiently Joe is using mobile to his advantage.

THERE IS NO doubt that evolving mobile technologies and services are presenting innovative ways to build a better mobile marketing mousetrap to reach and engage customers at the heightened point of awareness.

How and when mobile marketers decide to take advantage of or ignore the various technologies and uses of mobile solutions at retail can equate to valuable mind and market share gained or lost.

Whether viewed as an opportunity or threat, therefore, is in the hands of the smart mobile marketer that heeds its power and potential early on.

*Angelo Biasi is an adjunct professor for mobile marketing at New York University's School of Continuing and Professional Studies and vice president of business development for [Didmo](#), Naples, FL. Reach him at [angelo@didmo.com](mailto:angelo@didmo.com).*

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