MOBILE

Pros and cons of mobile bar codes for luxury brands

June 21, 2012

By RACHEL LAMB

Now that bar codes are becoming more mainstream, there are some consumers who are willing to scan and take advantage of the offered content. However, most luxury marketers still are not grasping the concept and can therefore turn consumers off from this tactic.

The number of consumers who are scanning has skyrocketed, and the number of downloads from even last quarter are up dramatically, per experts. The rate of attention and transactions that brands can receive from this tactic is high, but only if it is used correctly.

"The essence of any luxury brand is the story it conveys and, in the digital realm, the creative vision is most often illustrated through aspirational imagery and video," said Scott Forshay, mobile and emerging technologies strategist for Acquity Group, Austin, TX. "As luxury brands continue to evolve into brand-content creators, video will play an integral role in mobile engagement.

"Understanding that the mobile experience is often time-sensitive, as opposed to the big browser Web or tablet platforms, the opportunity to present brand video content in a more episodic manner for mobile consumers opens up potentially interesting opportunities to

use codes as keys to unlock the next episode of the brand's digital narrative," he said.

"Luxury brands should always be seeking inventive ways to engage their brand advocates, rewarding this valuable audience for their support by continuing to inspire from the leading edge of innovation."

Scan and a miss
The most important component of bar code scanning is that the content post-scan is optimized for mobile.

The entire point of QR code scanning is to offer content that makes it easy and enjoyable for consumers to get closer with a brand, and those that do not optimize are missing it.

For example, diamond company Cora Intl. aimed for mobile commerce transactions in post-scan opportunities that link to an optimized site where consumers can view the brand story and shop for jewelry (see story).
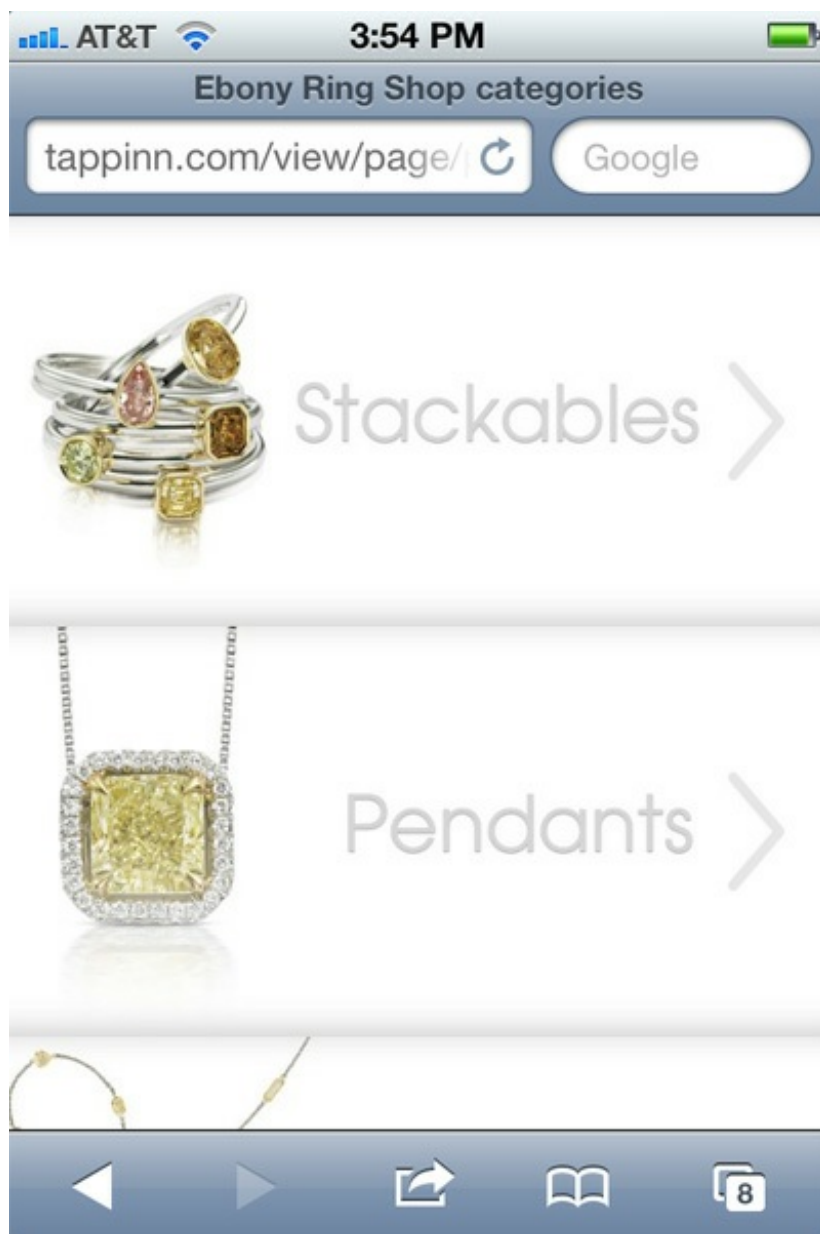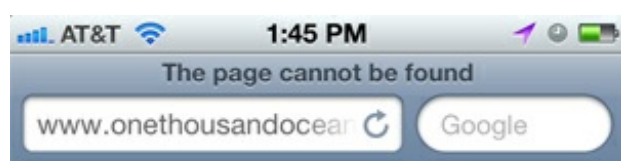

Optimized content on the Cora site

However, other marketers that use QR codes to complement print efforts sometimes do

not optimize.

For instance, department store Barneys New York had good intentions with the placement of QR codes in The New York Times newspaper, but since the landing page was not mobile-optimized, the retailer may have missed an opportunity to connect with consumers (see story).

On the other hand, some QR codes do not work at all. Introducing a QR code that does not work could not only turn brands off from scanning, but possibly create frustration or disappointment associated with the brand.

For example, luxury real estate company One Thousand Ocean had the right intentions by incorporating a QR code in its print advertisement, but missed the mark when the code was unable to be read on mobile phones (see story).

Landing page post-scan for One Thousand Ocean campaign

In addition, placing QR codes in an area where it is not easy to scan can also be detrimental to a brand's campaign.

This could include no wireless connectivity such as a subway, or placement of codes where difficult to scan such as foot height or on fold of magazine, per Laura Marriott, Denver, CO-based CEO of NeoMedia Technologies.

"Nothing kills a consumer using a new medium faster than poor execution," Ms. Marriott said.

"Campaigns must be tested and tested again to ensure they are working effectively

throughout the campaign, not just at campaign launch," she said.

Setting a bar
On the other hand, there are some reasons why using mobile bar codes can benefit brands.

"The primary benefit of 2D bar codes is that they add dimensionality to traditionally passive assets," Acquity Group's Mr. Forshay said. "Whether scanning a QR code to launch branded content in a mobile marketing campaign or scanning a bar code on-site at a retail location to render product information or customer reviews, the code offers an additive engagement opportunity for consumer and brand.

Total scans are climbing. There were approximately 13 million scans in the first quarter of 2012. This is a 157-percent increase from last year, according to research from ScanLife.

In addition, 50 percent of U.S. customers have smartphones now, according to Mike Wehrs, president/CEO of ScanLife, New York. Also, affluent consumers are more likely than non-wealthy consumers to afford pricey devices and data plans.

Gucci's QR codes

So, if consumers are scanning, then luxury marketers should be where their customers are.

However, they should not just use QR codes to use them. Rather, they should be doing it correctly.

The route that many luxury marketers take is incorporating a digital element into traditional or static marketing channels such as print or out of home.

Therefore, they reach the core affluent demographic through traditional means, but add an extra digital oomph that allows them to connect with a younger and more tech-savvy audience in a non-obtrusive way.

For example, skincare brand Kiehl's bolstered its corporate social responsibility effort while pushing a limited-edition collection via in-store and mobile promotions for Earth

Day using QR codes in its store windows and throughout its properties (see story).

Kiehl's in-store QR codes

Also, marketers need to make sure that their scans lead to relevant content, whether it is based on the ad on which it was scanned or a current promotion.

For example, Bloomingdale's aimed to build brand loyalists through mobile calls-to-action in a print campaign in the April edition of Condé Nast's Vanity Fair magazine.

Consumers who scanned the codes in the ad were brought to the new "loyallist" optimized page on the Bloomingdale's site that correlated to the ad where the QR code was scanned.

Bloomingdale's loyallist video post-scan

Despite the problems that can occur, experts believe that QR code pros outweigh the cons. However, there are definitely components to consider when developing a strategy.

"Ensure that you are implementing a campaign to drive relevance and value for the target audience," NeoMedia's Ms. Marriott said.

"Simplicity, innovation and creativity from the moment of QR integration through to content delivery will ensure that the brand is achieving its desired results with QR implementation," she said.

Final Take

Rachel Lamb, associate reporter on Luxury Daily, New York