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## In-store Wi-Fi vital to future of luxury retail

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By ERIN SHEA

Retailers that have brought Wi-Fi and mobile technologies into their physical store locations are moving ahead of the competition, especially in the luxury market.

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Luxury retailers that embrace Wi-Fi can greatly enhance the customer experience in-store in a variety of ways. Wi-Fi and mobile devices can be used by both sales associates and customers to create more engagement and positive shopping experiences.

"Offering Wi-Fi in stores is a traffic driver," said Joseph DeStasio, business development manager for [Boingo Wireless](#), Raleigh, NC.

"People are always looking to stay connected, whether it is for personal or shopping use," he said.

"Fast-forwarding several years, I think you will not be able to go into a store without having a Wi-Fi experience."

Customer experience

The customer experience is a top priority for luxury retailers. Adding Wi-Fi to a store can help create a positive customer experience.

Having this connection can help retailers expand their aisles in-store by showing products that may not be out on the shelves.

Consumers could also use the in-store Wi-Fi to find a specific product at another nearby store or online, if the product is not currently available at the store they are in.

"[Wi-Fi] can expand what consumers are seeing in-store and it makes for an endless aisle," Mr. DeStasio said. "Consumers can see if it is in a different size or color, or go to a different store where they can actually go buy it."

Customer service can be greatly increased by making sure a customer can locate what they want to purchase. This is especially important to luxury marketers since superior customer service is what distinguishes luxury retailers from mainstream retailers.

"Embracing Wi-Fi in store allows the retailer to show customers more information than they would normally have about products," Dave Rodgerson, senior management consultant of retail strategy and change at [IBM Canada](#), Toronto.

"In any luxury store, the customer experience is one of the most important differentiators," he said.

These experiences can also be further enhanced by other technologies such as augmented reality.

"Augmented reality mobile applications can create a bridge between the physical world of the store and a digital customer experience," Mr. Rodgerson said.

Also, in-store Wi-Fi can allow retailers to learn more about their customers.

"Once the shopper is connected to the store's Wi-Fi network, retailers can see what users are doing on that Wi-Fi," Boingo's Mr. DeStasio said.

"Department stores can see where users are connecting and their traffic patterns in store, which can assist the retailers with merchandising as well," he said.

Being able to connect to the Internet also allows luxury retailers to take showrooming to its full potential, which can help build a stronger relationship with customers.

"The more retailers embrace the use of Wi-Fi, they are actually able to turn showrooming to their advantage," IBM's Mr. Rodgerson said. "It allows them to create a deeper engagement with the consumer by introducing them to the retailer's online presence."

"Embracing mobile is the surest way to introduce your customer to the omnichannel experience that most retailers are attempting to create," he said.

Leader of the pack

Some luxury retailers have moved ahead of others and started to embrace Wi-Fi and mobile in-store.

For instance, department store Barneys New York is giving in-store shoppers a more personalized checkout experience through a partnership with Infinite Peripherals that

equips sales associates with mobile point-of-sale devices at its flagship location.

Barneys was one of the first retailers in the United States to use the Infinea Tab modular system that turns an iPad into a one- or two-dimensional bar code scanner and magnetic stripe reader so that sales associates can checkout customers at any location on the sales floor ([see story](#)).



#### *Barneys mobile point-of-sale*

Also, Italian label Gucci turned to mobile to enhance its in-store shopping experience with an app that aims to provide a higher level of service for luxury consumers via employee-handled wireless devices.

The fashion house is equipping its store associates at select locations with Apple iPhone 4S devices that contain a mobile point-of-sale program that lets employees process sales, email receipts to customers, access the Gucci Style app and use a translator and currency converter on the spot.

The brand is gradually implementing the app in select branded stores in the United States, Europe and Asia ([see story](#)).

Luxury retailers should look to bring Wi-Fi into stores since most affluent consumers already own smartphones and are already using them in stores.

Sixty-five percent of visitors to 13 high-end ecommerce sites report using their mobile device in-store to visit the retailer's Web site, while 39 percent access a competitor's site, according to a survey by ForeSee.

The "ForeSee E-Retail Satisfaction Index: Luxury Brands" released Jan. 16 revealed that 59 percent of shoppers on the 13 luxury retail Web sites examined have used a mobile phone to interact with a company and 18 percent plan to do so ([see story](#)).

"Affluent consumers are also the ones most likely to have the latest technologies," Mr. Rodgerson said.

"By offering them a shopping experience that invites them to use that technology, the retailer is creating a stronger connection with that customer," he said.

Final take

*Erin Shea, editorial assistant on Luxury Daily, New York*

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