

COLUMNS

Why luxury brands should embrace mobile

December 17, 2010

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By [Jason Goldberg](#)



The rapid adoption of the smartphone and the mobile medium is one of the most important trends that shopper marketers are tracking this year and next.

Consumers are not only using their mobile phones to make purchases, but also increasing using them to perform shopping research on their way to a store and while they are in the store.

This trend will only increase with Google's Android and Apple's iPhone activating 450,000 phones a day and as a generation of teenagers, who currently average 3,339 text messages a month, come of age.

Luxury shoppers are early adopters of powerful smartphones, but paradoxically, luxury brands are lagging behind when it comes to leveraging mobile marketing.

This is not unusual in and of itself.

Mind the gap

Luxury brands traditionally trail other retail brands when it comes to technology adoption and in providing cross-channel user experiences.

Unlike wide-appeal brands such as Gap or J.C. Penney, luxury brands' core customers often have higher service expectations due to the higher price points of luxury goods, which luxury brand managers mistakenly assume exclusively means personal service from sales associates.

In reality luxury shoppers' expectations for high-quality service extend to great self-service tools and rich multichannel shopping experiences.

In a recent New York Times interview, Christopher Bailey, chief designer at Burberry, explained that part of the continued success of the venerable luxury fashion brand is due to its new cross-channel initiatives, especially in the mobile medium.

In fact, during the fashion house's runway shows, spectators are furnished with mobile devices that allow them to reserve items in real-time while they are viewing them on the runway.

However, Burberry – which ensures that its customers can interact and experience brand consistency across every possible channel – is the exception to the rule.

(See [Burberry takes third place: Luxury Marketer of the Year](#))

Many luxury retailers continue to invest their resources in the same old tools.

For instance, luxury brands spend millions on store facades and interior fixtures, yet ignore the parking lots that surround the stores – leaving them aesthetically displeasing and visually at-odds with the brand experience inside the store.

There is a similar incongruity related to mobile.

While their in-store experience may be unparalleled, luxury brands often receive failing grades when it comes to pre-tailing, an increasingly important step in a consumer's purchase decision.

Luxury brands need to move quickly to offer mobile and online pre-shopping tools that seamlessly integrate with their existing ecommerce and retail experiences.

These marketers must ask themselves: Do all channels have visibility into a customer's past purchases, gifts and wish lists?

In many ways, mobile represents the latest incarnation of the venerable clientelling practices that luxury brands have leveraged for years.

Associate sales, not sales associate

Why is mobile so important for luxury brands? Brand perception, loyalty and retention, for starters.

Luxury brand customers feel they have a relationship – even a bond – with the brands themselves, which does not extend, interestingly enough, to the sales associates or other human faces of the brands.

Mobile, in particular, allows customers to limit their interaction directly to the brand via the use of technology and to keep their interaction and brand experience consistent with their own perception of the brand.

For example, users of Gucci's iPhone application are treated to exclusive music mixes by celebrity DJ, Mark Ronson, as well as sneak peeks of forthcoming merchandise, such as the Gucci Kids line.

The brand is rewarding its customers for using the mobile medium, offering a more

intimate interaction than might be had in a bricks-and-mortar store, while also removing the chance that a single sales associate's bad day could translate into lasting damage to the brand via customer dissatisfaction.

Of course, one of the primary justifications for the mobile medium is the same for Walmart as for Neiman Marcus: simple convenience.

Consumers increasingly rely on mobile devices for everything from calendaring to weather forecasts to GPS, and this ubiquity extends to shopping.

In fact, according to a recent survey by Brand Anywhere and Luth Research Inc., Web retailers could increase consumer engagement by 85 percent simply by offering a mobile version of their Web site ([see story](#)).

So, the time is now for luxury brands to add mobile to their channel mix.

While the benefits are numerous for all retailers, luxury brands, in particular, stand to gain higher engagement, sales and retention rates by offering a strong user experience to customers who clearly want – and expect – a direct, intimate and convenient way of interacting with the brands.

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