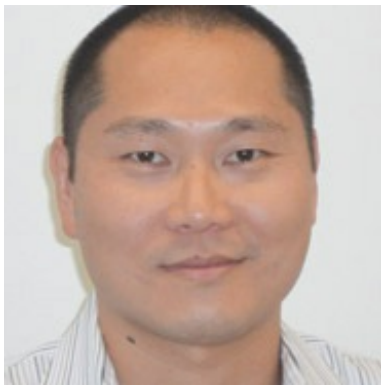


COLUMNS

Retailers' next big thing: mobile shopper marketing

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By **Ji Kim**

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Luxury Daily

More and more these days it seems consumers are shopping anywhere and everywhere but the traditional bricks-and-mortar stores.

Now that might sound like an exaggeration to some, but research shows a clear upward increase in the number of consumers turning online to fill their shopping needs.

According to The Wall Street Journal, shoppers spent more than \$1 billion this holiday season on Cyber Monday alone, by far a new record for dollars spent online in a single day.

Even more surprising than that, though, is the shopping that consumers are doing on their mobile phones.

Billions served

ABI Research told us in 2009 that mobile commerce in that year was a \$1.2 billion market, triple the amount spent the year before.

Recent numbers suggest that by 2015 an estimated \$119 billion worth of goods and services will be purchased via a mobile phone.

Why the staggering numbers?

Well, it is no secret that we have become a society constantly on the move, always on the go. And we are more reliant on our mobile devices not only as tools of communication, but to answer questions and needs as they happen: “Where’s the nearest post office?”; “I need a recommendation for dinner tonight”; “My kid needs new cleats for soccer.”

It is in response to this rapidly growing trend of mobile reliance that we have seen an increasing number of retailers offering mobile applications, text-based deals and location-based incentives to be there for customers in their path-to-purchase.

Still, many retailers’ mobile commerce strategies are just getting off the ground, if at all.

So how do retailers and their consumer brands not only best embrace this trend, but drive incremental revenue through this important mobile medium?

The best advice is to have a digital shopper marketing strategy that targets shoppers on-the-go, no matter what stage of the purchase cycle they are in.

A “consumer” becomes a “shopper” the minute a need is determined.

New research from comScore shows that the first step for these valuable shoppers is to turn to retailer Web sites. And considering the rapid increase of mobile devices, many of these first steps are occurring through smartphones.

Retailers and brands alike need to recognize the value in having a strong marketing strategy for these in-market shoppers from the initial thought-to-shop all the way through the research, selection and purchase of their item.

Only then will retailers and brands be able fully realize the medium’s potential by quickly building and capitalizing on this growing mobile revenue stream.

It is clear that having a mobile site is critical, but what more can retailers do?

Shelved, not benched

Recent technology platforms have become available which aim to automate the shopper marketing process for retailers, giving them the ability to run both paid and non-paid marketing programs on their mobile commerce sites.

Using this technology instantly empowers retailers and their vendor partners to push the right productions and promotions to the mobile shopper directly in market.

For example, just as Sony would pay for prime shelf space in a brick and mortar Best Buy store, these platforms give Best Buy’s site the digital shelf space that lets brands such as Sony push their products in front of the consumer, ultimately ending up in the shopper’s mobile shopping cart.

As the number of shoppers who use their mobile devices to browse and shop continues to grow, retailers and their consumer brands need to capitalize on the opportunity to market to the on-the-go shopper. Because you can bet that if they do not act soon enough, their

competition will.

Considering the favorable economic outlook that 2011 has been given, the year seems poised to become the highest digital shopping year in history.

Now is the time for retailers and brands to catch up to the pace at which their loyal, Web-savvy and mobile-reliant shoppers are spending their money by implementing these important and lucrative shopper marketing initiatives.

Ji Kim is CEO of DiJiPOP, Providence, RI. Reach him at ji@dijipop.com.

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