

ANALYSIS M-COMMERCE

Seven great examples of mobile technology in retail

As the likes of Starbucks and Nordstrom emerge as mobile leaders, a new book by Forrester analysts spotlights the best developments in mobile customer experience

“In 19 years as an analyst I have never seen anything where the desire to succeed is so great and the ability to succeed is so small.”

So says Josh Bernoff, senior vice-president of idea development for research firm Forrester and co-author of *The Mobile Mind Shift*, a new book on how mobile is changing shoppers' expectations and how the best companies are responding.

The book covers a range of industries, including retail, and highlights the best examples of the use of mobile technology across the globe.

STARBUCKS

The coffee shop group has identified three mobile moments when it targets shoppers. When a coffee fan is looking for a Starbucks the app will pinpoint their location and direct them to the nearest cafe.

For those waiting in line it has teamed with iTunes to provide offer codes for music and movies. This led to mobile interactions growing from 2 million per week in January 2013 to nearly 4 million per week in June the same year.

And when the customer gets to the front of the queue, Starbucks has developed its own payment app to speed up the process. About one in 10 of the business' transactions now goes through mobile.

WALGREENS

Walgreens has combined its digital photo services and merged in-store physical camera sales, and the e-commerce and in-store retail teams. It changed its marketing and merchandising mix to promote digital and physical photo products. Plus, shoppers can print a picture in store from third-party apps including Instagram.

The changes meant that the percentage of mobile orders soared. In 2010, less than 1% of Walgreens' online photo orders were from mobile – in 2013 that soared to 40%.



Starbucks says one in 10 transactions now goes through a mobile

SEPHORA

Sephora's loyalty scheme, Beauty Insider, provides a personal service that the likes of Amazon can't.

It uses information about the shopper's past purchases, which many retailers have access to. But Sephora took this one step further by introducing immediacy into the transaction – it integrated its Beauty Insider programme with its mobile app and Apple's Passbook. The result is that a customer sees their loyalty card pop up on their phone when near a store.

Then, once the consumer is in the shop, the app lists their previous purchases and wish list.

COCA-COLA

Coca-Cola's Share a Coke campaign, which personalised Coke bottles with popular first names in markets including the UK and Australia, couldn't easily be transferred into the Chinese market. Chinese names are constructed differently from Western first names and are too unique to put on personalised bottles.

The brand solved the problem by allowing Chinese consumers to choose nicknames used on social media. It put 60 different nicknames on bottles and sent personalised bottles to hundreds of celebrities. The resulting social media campaign took flight on Chinese social networks.

NORDSTROM

In 2010, Nordstrom launched a mobile checkout project in a bid to remain better connected to shoppers and gather information about their preferences. It gave 6,000 mobile point-of-sale devices to employees in 117 stores in time for the summer Sale. Sales staff had iPods with built-in credit card readers, but most of the work was done behind-the-scenes, tying in the systems that drive the application.

It ended up building a platform for a way of doing business that encompasses mobile. The culture, processes and technology all changed, and the mindset of the retailer changed too.

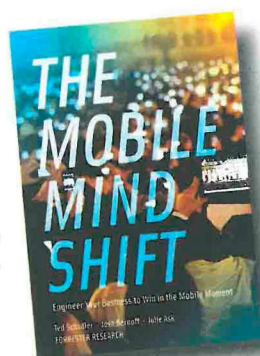
KRISPY KREME

Krispy Kreme's stores have neon signs outside saying 'Hot Light', and when they are on, customers know that fresh donuts have just come out of the oven. The group set up a system that means the same switch in stores that turns the light on also sends out alerts to customers in that vicinity who have downloaded the app. It led to double-digit increases in same-store sales.

UNITED AIRLINES

United Airlines used ethnographic research to determine what was needed and, as a result, produced an app that among other things can be used to rebook cancelled flights. The app was designed to be easy to use just by thumb, because customers are invariably pulling a suitcase with their other hand when catching a flight.

Six million customers have downloaded the app, and about 20% of domestic boarding passes are now on mobile devices.



THE MOBILE MIND SHIFT

- By Ted Schadler, Josh Bernoff and Julie Ask
- Available on Amazon for £14.30
- Published by Groundswell Press