



Attention Getter

Mall operator uses Wi-Fi to connect shoppers with location-specific offers

by JOHN MORELL

The shoppers are in the sales location and the retailer is ready with merchandise that the shoppers would want to see — if only they knew about it. How can the connection be made?

“A mall retailer typically has two windows to promote their merchandise to shoppers walking by, but that’s not enough,” says Allan Haims, a former executive with companies ranging from Disney Stores Worldwide to Victoria’s Secret and Wet Seal. “They need something to get people across the lease line.”

A veteran of the ongoing battles to attract mall-goers’ attention, Haims’ newest venture melds tech and retail

in an effort to figure out how mall stores can best communicate with shoppers on the property. Traditionally, it’s been based on what retailers can do outside the mall space, i.e. media advertising and direct mail.

But as Haims points out, typical mall stores are limited in how they can reach potential customers walking by. Beyond limited windows and signage just inside the door, what else is there to lure them in?

“It’s natural to look to technology to assist us, and to do that we look at the mobile device the consumer has in her pocket or purse,” says Haims. “For consumers, the smartphone has become as essential as a car. They may not be making purchases from their phones, but they’re certainly using them for research. What we as retail marketers need to do is communicate with them through their mobile device.”

StepsAway, which Haims founded in 2012, does that by sending messages about retail offerings to consumers via

the mall’s Wi-Fi. A shopper walking into the mall can see the day’s array of deals broken down by categories, from a shoe retailer’s 20 percent off sale to free ice cream in the food court.

Mall operator Taubman Centers has implemented StepsAway in six of its locations. StepsAway approached Taubman in 2013, as the company began instituting its long-range strategic IT design. “Our plan was to build a fiber optic backbone for our properties,” says Ivan Frank, director of digital marketing for Taubman Centers.

“We wanted to enable high-speed data and phone for our tenants, as well as use it to enable energy management and Wi-Fi, including consumer Wi-Fi.”

TESTING THE WATERS

Haims says the cloud-based platform is “probably the most effective way to get a consumer inside the mall to notice what you’re doing. In truth, what we’re doing isn’t really new,” he

says. “Kmart had their ‘blue light specials.’ We’re just doing this digitally.”

Offers are managed by a retailer’s marketing department and can be used to test merchandise. “Let’s say a retailer wants to have a time-sensitive offer in a particular location to see how it does,” Haims says. “They can make an item ... 50 percent off for four hours. They can then get a measurable look through their sales data of how effective [the promotion] was. It’s also a good way to move slow merchandise. If there’s a product that’s not moving as well in a particular location, a flash sale at that store can clear it from the shelves.”

While innovative, the success of a program like StepsAway depends on one crucial act: Getting consumers to log in to the mall’s Wi-Fi. “We’ve all become very much accustomed to logging into free Wi-Fi, and we believe that comfort will increase. The tech standards are making it easier for people to access free Wi-Fi,” Haims says.

“It’s not a browser-based app — it’s running on the web. This allows a retailer to highly customize and create local offers for that particular mall location. And the consumer is only getting these offers when they’re at the mall, which is another aspect that sets this apart from a downloadable app.”

Haims believes apps are effective, but generally only with the most devoted consumers. “You’ve got to be a pretty loyal customer to put a particular retailer’s app on your phone. Consumers can have somewhat of an aversion to adding apps because of the space they take up on the mobile device.”

It would appear that the biggest

competition for StepsAway isn’t a shopping app or program, but wireless carriers’ data plans. With consumer plans becoming faster and more accessible, could that make the concept of free Wi-Fi at the mall obsolete in a short time?

“It costs the [telecommunication companies] money to maintain all that bandwidth and it’s not in their interest for everyone to be using their net-

available at that moment.

The hyper-local nature of offers was one of the key appeals for Frank. A consumer who goes to Taubman’s Twelve Oaks Mall in Novi, Mich., gets very different offers if she travels the next day to International Plaza in Tampa, Fla. “It enhances the appeal of the mall’s Wi-Fi,” Frank says. “It’s not just a channel to get the Internet for free. Now I’m getting these offers.”

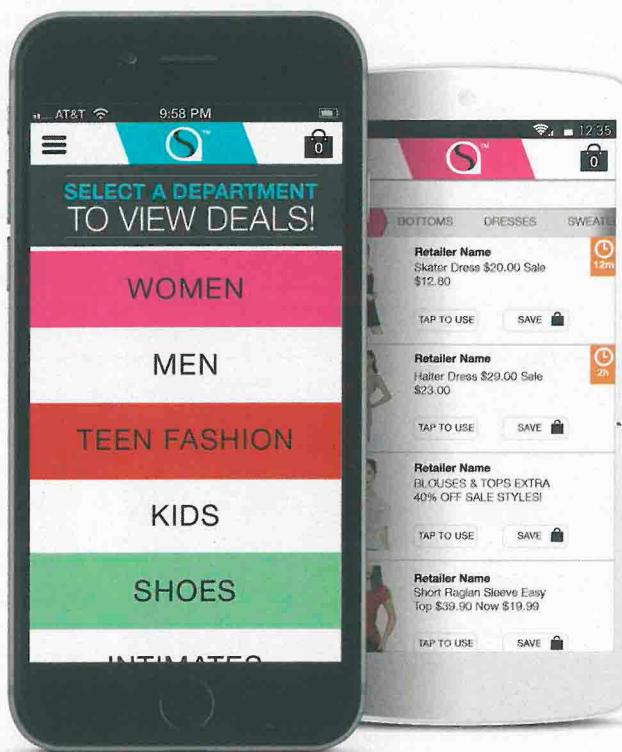
“This is the key to StepsAway,” says Haims. “There are plenty of shopping apps that are GPS-directed and they’ll show you offers a half-mile from where you’re standing. But if I’m in a mall, I’m not going to go find my car and drive another half-mile to find a deal. I want it in that location.”

Taubman malls with StepsAway have seen a double-digit increase in the number of consumers using the mall’s Wi-Fi, Frank says. They’ve also averaged approximately 100,000 users per month accessing offers; the average user views 10 offers per visit. “It’s a phenomenal amount when you consider consumers didn’t have this kind of hyper-local marketing before this,” he says.

Taubman is looking to expand its partnership with StepsAway at different

properties. “One area we’re looking at is value centers that have quite a number of retail outlets,” says Frank. “We think in that type of environment, where you have customers going to the location specifically to find great deals on merchandise, this type of program will really take off.” **STORES**

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work at the same time,” says Frank. “They’d rather partner with us and have us become big clients by offering Internet service through our Wi-Fi.”

HYPER-LOCAL OFFERS

To generate interest in signing up for a mall’s Wi-Fi, StepsAway works with the operator to develop relevant signage around the property. It also brings in street teams during high-traffic periods to show people how to connect to the Wi-Fi and see the deals