

Mobile: In time for Christmas

Paul Skeldon, Mobile Editor, InternetRetailing, examines what retailers can do with the technology they have today or can readily integrate into business systems between now and Christmas.

As the Summer sun shines, retailers across the UK will be preparing for what's tipped to be the UK's biggest ever online spending splurge: Black Friday 2018 – and the peak season that hopefully will be kickstarted by this retail starting gun.

In 2017, consumers spent a huge 515% more online than the average Friday, according to Ingenico's payment data, with the Wednesday through to Monday recorded as the six busiest shopping days of the year, last year.

In the High Street the story is very different. In December 2017, Springboard found that footfall across all retail destinations rose by only 1%, week-on-week, in the week of November 27, and fell by 3.1%, compared to 2016. UK high streets suffered the most that week, reporting a marginal rise in footfall of just 0.3% week-on-week, but a drop of -4.5% compared to the same week in 2016.

So, what can retailers do to mitigate a repeat of this? 2018 has seen many prominent names in the High Street close their doors and it is unlikely that Christmas will be any better for them unless they act.

With Peak 2018 only a couple of months away, what can be done in this short time frame to make an impact? Mobile. That's what.

While there are a plethora of thought-leadership pieces out there on how to bring AR and VR into the store and how to employ sophisticated technology a la Amazon Go, most retailers don't have the money – and certainly don't have the time – to get that sort of experience ready for Christmas.

But this is the sort of experience that consumers want. According to a study by MuleSoft, 60% of consumers globally want Amazon Go like experiences in-store, rising to 77% of Gen Z and X shoppers. So, here are some thoughts on what you can do in a limited amount of time between now and Christmas with technology that you either have today or can readily integrate into your business systems.

WORK THOSE APPS

If you don't have an app then you don't deserve to be a retailer, but most retailers still don't get the most from them when it comes to driving footfall, especially at peak times. Apps are like your store front and produce much deeper links with consumers. Witness Amazon: part of the High Street's problem is that consumers turn to the

Amazon app to shop as it is really easy to use and works.

This has not been wasted on ASOS, which is now the third most used retail app in the UK. The company says it has added 23% to revenue this year, in what most retailers are finding very challenging circumstances.

Used right, apps can be really useful to your footfall as well. "Not only does mobile now present the best opportunity to reach your audience, it's the chance to create a truly personalised experience for your customers and nurture your relationship with them," says Paul Barnes, Territory Director Northern Europe and the Middle East, App Annie. "Apps are far more than just another platform; they're an opportunity to improve your relationship with customers and, ultimately, your bottom line. Retailers can discover a plethora of personal preferences from their customers through the time they spend in their apps – from their preferred store locations and their wish lists to their favourite time to browse and more."

Apps generate a great experience for the user, but also a vast amount of data for the retailer – and this is where you need to box clever. Use this data and the app itself to reach out to them and offer them encouragement to go to the store. Apps are a new channel, but really they are just a way to help you do your marketing in a place where consumers are.

It doesn't stop there, however. Once in the store, you have to give them the experience that they want (as we shall see throughout this article), but that too can start with apps. As App Annie's Barnes puts it: "The most successful retailers have recognised that mobile isn't a subset of digital, it's the glue that brings together the digital and store experience. Use of in-store beacons, apps that provide product data and product locators drive customer engagement and loyalty. It's worth considering that orders placed in-app and collected in-store represent increased margins in a tight market."

Once in store and the app fired up, there is much more that can then be done – much of it things that can, right now, give you the Amazon Go experience in the store.

SCAN & GO

One of the most appealing aspects of Amazon Go is that it obviates the need to queue up and pay. To my mind this is the single most pointless and awful part of shopping in a

'real' shop (along with there never being the thing you want in your size, but I digress) and it can be simply solved.

Barcode scanning solutions on mobile have been around for ages. Couple them with apps, mobile payments – Apple Pay and Android Pay will suddenly make sense in the next sentence – and eagle-eyed security and your app, which you have used to lure customers into your store, can be the checkout.

Sainsbury's, Tesco, Co-op and Budgens have all rolled out apps that allow for scan and go with grocery shopping and technology company Jisp aiming to make checkouts a thing of the past in all shops.

Jisp proposes putting RFID stickers on everything and letting shoppers use NFC on their phones to tap the sticker to buy the item. In a supermarket this may be quite a feat, but there is no reason why it couldn't work in fashion or books or any number of other retail verticals with a physical presence.

For the retailers using Jisp, overheads are lower as there is no need to invest in hardware. Also, the system provides higher intelligence on the choices made than a scan service, including the order in which products are selected and data on outcomes rejected to enable follow-up enticements such as discounts.

There is also the opportunity for cross-selling either while shoppers are in the store or afterwards. Offers and discounts can be communicated electronically; there is no need for paper vouchers, which customers often mislay or leave at home. Random checks, a flagging of high-value items or those that need the validation of age will help prevent shrinkage or illegal sales.

"Tap & Go will make scan services seem slow, cumbersome and old-fashioned. Since most customers will have their mobile phone with them this way of shopping will seem natural, reflecting how they shop, their lifestyle and choices and crucially to keep a digital record of their purchases," comments Julian Fisher, the Founder and Chief Executive Officer, Jisp.

REMEMBER SHOPPERS LIKE SHOPS

Shoppers do actually like going to physical stores and they like doing business with people – they like the human touch and a nice day out and a cake. What is going wrong with the High Street, in essence, is that it is offering 21st Century customers a 1970s experience. Technology is now a part of everyday life, the mobile phone a sort of portal to everything and a portable memory bank. Retailers need to bear this in mind and leverage it.

Shops need to be places where mobile works and can be brought to bear to offer the kind of experience that consumers want.

The 2018 Retail Sector Report from I-AM finds that 80% of people went shopping as a day trip in the last month, with 50% of those going in the last week, while 74% still prefer physical stores compared to just 26% preferring online shopping, with 36% preferring shopping centres.

But, they want their tech to help them. 51% would love to navigate, get information and pay using their phone in-

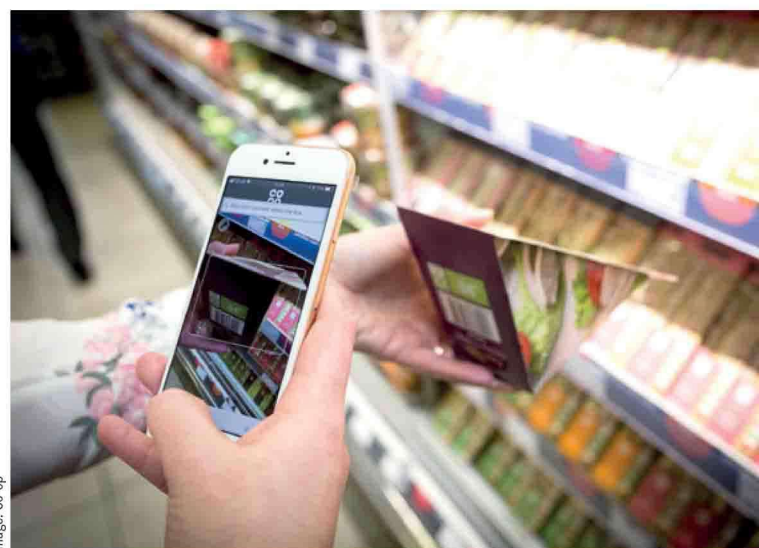


Image: Co-op

▲ Co-op is testing an app that allows for scan and go with grocery shopping

store, while 49% say the most loved element of the in-store experience is touching and trying things out.

However, when it comes to staff, there are distinctly negative views: 46% think staff hinder the shopping experience – although 48% still value help – while 70% prefer staff to be just at the pay point, while 28% would happily shop without staff at all.

Arming staff with devices and making them more knowledgeable is also increasingly being seen as a bonus. 71% want store staff to be more knowledgeable and 45% would revisit stores that offered workshops and tutorials from experienced and expert staff.

Staff too want tech to help them. A separate study, by HR experts CoreHR, found that 57% of store staff see digital technologies as playing a central role in enabling them to work to the best of their abilities. However, the tools aren't there and, in some cases where there technology is present, it actually hinders them doing their jobs through poor training and poor deployment.

YOU HAVE THE POWER

What all this shows is that, while shoppers aren't heading to the High Street, it isn't because they don't want to. What they want is for the High Street to be better – and that means tech. Tech for the consumers, tech for the staff and tech that enhances the experience.

Much of this is already available: arming staff with iPads that connect to the store's website via wifi are all things you could sort out this weekend.

Adding scan and go may take a little longer, but could be in before peak.

And as to apps: you already have one, right? Then use it. Get your marketing teams using the data and thinking how to push people, via the app, to the store.

Once there, they can use the tech you installed this weekend to have a much better time. And remember, a new in-store experience isn't just for Christmas, it's for life. 