

COLUMNS

Why now is the time to invest in iBeacon technology

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People's smartphones are not just devices they are extensions of their lives.

Because of this reality, most major brands have already tapped into the mobile landscape. But there is a new, cutting-edge way to reach potential customers that most brands are not yet aware of: iBeacon technology.

This new technology sends Bluetooth low energy alert messages to mobile phones within an adjustable 50-meter range. But what does that look like from a consumer's perspective?

Let us say you are in The Home Depot, looking at washers and dryers. You could get a push notification on your phone telling you about the latest energy-efficient technology in a washer that is only 10 feet away. Or perhaps you walk by Dunkin' Donuts on the way to work. A message containing a coupon for a free cup of coffee might entice you to enter the store.

The possibilities for iBeacons are countless, but the window to be an early adopter of this new technology is shrinking by the minute.

More brands discovering potential

Considering how important smartphones are to the average person, the potential that iBeacons have to offer brands is clear. That is why organizations such as Macy's, American Eagle Outfitters, Apple, National Football League, Coach and Safeway are all investing in iBeacon messaging right now.

This year, more than 20 MLB stadiums integrated iBeacon technology with MLB.com's At the Ballpark application. Fans can check into the game, receive exclusive stadium offers, find the quickest route to their seats, and get the latest game and team content while they are at the stadium.

There are numerous ways to use this technology to foster better consumer engagement.

For example, earlier this year, jewelry retailer Alex and Ani announced it was launching iBeacon sensors in all of its bricks-and-mortar locations. Here is why: When it did a small pilot test, the company saw that between 72 and 75 percent of users stepped into the store after receiving an iBeacon message, and that is just one measurement of success.

This technology naturally lends itself to offers and promotions such as discounts, sales, digital payments and personalized information. That means it could offer a completely tailored experience to your customers, depending on your needs, products and vision.

Equip yourself to pioneer the way

Before moving forward, you need to understand how iBeacon works. It requires three essential elements to function:

1. A phone: You need a device with Bluetooth technology that can receive communication from Bluetooth low energy or Bluetooth Smart.
2. A physical iBeacon unit: This is necessary for transmitting signals to compatible devices.
3. An app: The app will deliver the message when a device comes in range of a physical iBeacon unit.

Now that you understand the basics, here are the next steps for integrating this technology:

Identify your test markets. These tests will give you preliminary results. But they will also reveal potential difficulties that you might encounter while installing iBeacons or issues with supporting technology.

A narrower, geo-specific test will help you determine which messages your customers respond to and how you can add value for users who have your app. It will also give you insight into the best ways to create exciting new points of engagement with top customers and brand advocates.

Consult an expert. If you are serious about pursuing this technology, it is always smart to ask an expert first. Start by contacting iBeacon vendors such as Swirl, shopkick, inMarket or Estimote to find out more about pricing and how your iBeacon test would work.

Assess your risks and rewards. Understand the opportunity, and test it before you make a large investment. Some current issues with iBeacon technology include certain Bluetooth and app installation barriers and mobile vulnerability. And if you make major mistakes, a large number of customers could see them.

IF EXECUTED CORRECTLY, iBeacons can offer personalized marketing and messaging to users close to your retail locations. Plus, you will have a front-seat spot at the next big trend in customer engagement and brand advocacy.

Right now, pioneering brands can test, refine and perfect their strategies and still have a chance to be the experts leading the way. This technology is not oversaturated with brands yet, so if you are ready, now is the time to seize the opportunity.

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