

COLUMNS

3 ways an app can drive in-store traffic

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With Macy's and Sears shuttering stores, it might feel like we are seeing the beginning of the end for bricks-and-mortar shops. However, there are still major benefits to having a physical store with in-store shoppers, especially during the holidays when their lists are longer than usual.

Consumers spend more and convert at higher rates when they are in stores rather than online. That is a fact.

According to Deloitte Digital, 84 percent of store visitors use their devices before or during a shopping trip. About 22 percent spend more as a result of using digital, and over half of those spend at least 25 percent more than they intended.

So how do you support an old-school bricks-and-mortar business with new school tactics?

One of the main issues facing bricks and mortar is a decline in overall foot traffic. It might seem counterintuitive to turn to an application to fix this problem, but mobile can actually be bricks-and-mortar's best friend for this.

Here is how to have your app drive traffic to your store and have your biggest holiday shopping season yet.

If you have a unique in-store experience, mirror it in the app

Some stores create an in-store experience that will never be as fun in app form. That experience is often key to the brand, and getting people into the store is integral to success.

Sephora is a prime example of this with its endless array of samples.

That is why Sephora's app encourages customers to go to the store by mirroring its in-store experience. It offers virtual try-on, so customers can test out samples like they would in the store before they go, as well as lets them add products they want to sample in person to their "beauty bag," and lets them book in-store makeup appointments.

Sephora knows that its shoppers think of buying makeup as a treasure hunt, so they use their mobile app to give clues to what shoppers can find in store. It is a powerful reminder of the fun they can have if they go into the store.

Offer exclusive in-store coupons and deals

To drive traffic into the store, your app needs to add value to the in-store experience. You can incentivize customers

by offering coupons and deals that only work in the store.

Perhaps the most famous example of this is Target's Cartwheel app.

Target offers a suite of apps for its shoppers, and it built Cartwheel specifically to cater to in-store customers.

The app lets shoppers know about deals going on at their local Target and lets them combine Cartwheel deals with other coupons, which creates a huge incentive to go in store.

Cartwheel generated \$3 billion in revenue for the company last year alone.

Kohl's, whose earnings beat expectations last quarter, has taken a similar approach with its app. More than 11 million people use it.

The Kohl's app is packed with coupons, tracks users' Kohl's cash and gives them 10 free reward points just for opening up the app when they are in the store.

The strategy works: shoppers with the app make about 86 percent more visits to the store each month than users who don't have the app.

Let your customers know when they are nearby your store

Having customers opt into location can be incredibly valuable, and coupons and deals can also act as an incentive to get your customers to opt into sharing their location and push notifications.

According to Business Insider, approximately 60 percent of United States shoppers who have never tried in-store tracking said discounts and coupons would convince them to test beacons. An additional 47 percent said loyalty rewards would push them to opt in to in-store messaging.

It is important to get customers opted into push notifications and sharing location, because this is the most tactical way to drive them into the store. A push notification sent with a deal while a shopper is nearby is the ultimate sell-in.

Both Sephora and Target work to opt users into this as soon as they download the app.

Offering deals through these location-based push notifications is both a great way to keep people from opting out of these notifications and a great way to drive them to the store.

ALTHOUGH MOBILE COMMERCE is a fast-growing segment in business, in-store shoppers are still important. They spend more and convert at higher rates, and some brands have unique in-store experiences that will not translate to mobile.

An app can be an important part of generating in-store traffic, as we see from leading retail brands such as Target, Sephora and Kohl's.

When you consider a holistic approach that leverages apps as a way to extend your brand and drive consumers to stores, the benefits can be significant.

By highlighting your unique in-store experience within the app, offering in-store coupons and deals as an incentive for customers to stop in, and reminding your customers when they are close by, you can actually generate more in-store traffic and ultimately bring in more revenue for your business this holiday season.

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