COLUMNS

How mobile is bridging the gap between Internet and storefront

October 14, 2011

By Troy Morris

Local search has grown exponentially over the past few years and is estimated to hit nearly 3.5 billion searches in 2012.

Half of the connections to the Internet are happening via mobile devices, with 20.97 million users per month searching for local information on their mobile browser alone.

The demand is clearly there, and it is equally clear why. Sure, we all wish we were walking, talking encyclopedias.

Unfortunately, there is only so much knowledge the human mind can contain, and it pales in comparison to the available information about our local environment.

When out and about with friends, how will you decide which new place you should try? Or if $14.95 is really the best price on those headphones? What were those movie times again 2:15 or 2:45?

We are mobile creatures, and we are knowledge hungry creatures.

Putting information on wheels creates a powerful mobile access point, which gives small, local businesses the biggest opportunity to connect with local consumers in very real and immediate ways and vice versa. Here is how:

Location-based services

The strongest tool within a mobile device's hardware to drive local business is the GPS.

Mobile devices can quickly, and quietly, provide a service with a user's location and serve the information most relevant to their immediate needs or wants.

Services such as Yelp, Localicious, Where and AroundMe provide mobile users with crowd-sourced information on-the- go.

Many, such as Yelp and Where, have a Web presence, but their full potential is not unlocked until accessed via mobile.

Localicious is an app that is part of a growing trend of leveraging multiple data sources to tailor results to users' preferences or location and is focused solely on mobile solutions.

Amplifying this germane decision-making is the strengthened use of mobile in social buying.

Companies such as Groupon, LivingSocial and Scout Mob are able to tailor incentivizing offers to potential patrons through mobile devices.

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By placing these tipping offers to nearby users, businesses significantly limit the number of hurdles that one has to maneuver past to make the ultimate decision to step through a chosen business's door.

By grabbing the customer's attention within a fenced vicinity of a business, the likelihood of driving traffic greatly increases and gives small businesses a powerful weapon to compete against larger brands, and keep dollars within their local community.

Customer relationship management

Foursquare recently reached user No. 10 million and, according to The Wall Street Journal, with an astounding 1.5 million US check-ins daily.

This rapid adoption and usage rate makes foursquare, and other check-in services such as Gowalla and Facebook Places powerful tools to bring real customers face-to-face with businesses.

By offering perks to regular customers, high usage customers and even a neighboring business's customers, any small business is able to freely incentivize patronage.

Setting up with foursquare is simple to do and provides some incredible analytic tracking to help businesses understand their consumer base.

For customers, they are able to easily get highly relevant, local and timely promotions to help in deciding where and how to spend hard earned dollars.

Checking into, say, a retail store in Seattle's Capitol Hill neighborhood may generate an offer to a nearby bar granting your first drink at Happy Hour prices to wet your whistle after a long day of shoe shopping.

Purchasing decisions

Scanning of bar codes with applications such as RedLaser have increased a whopping 1,600 percent in 2010.

As retailers become increasingly aware of the role that mobile decision-making is having in purchase decisions, the greater the opportunities for customer retention.

QR (quick reference) codes are growing at a similar rate 1,200 percent in 2010 and use the same technology as bar code scanning. This gives merchants the chance to keep customers in their store and purchase.

QR codes are cheap or free to create and are just as easy using any number of services.

Shoppers are currently using their bar code/QR scanners to search for better prices, usually found on internet shopping sites, but as the old sales adage goes, you can "match any competitor's price" by leveraging the same tool used to comparison shop.

By placing mobile-friendly discovery tools on the shelves, a business can intercept the comparison shopping with its own offer to win over the shopper's patronage.

Mobile payments

Another piece of hardware technology being integrated within more mobile devices is the ability to give and take payments through a mobile device.

Through technologies such as Near Field Communication and Square, businesses are able to meet the mobile commerce movement head-on and keep up with the pace of the consumer.

Square recently secured $100 million in additional funding and is processing $1 million in transaction daily by providing businesses with the ability to process credit and debit cards purchases nearly anywhere.

An estimated 10 percent to 15 percent of all phones will leverage NFC technology by 2012, providing customers with the ability to leverage their virtual wallets to make purchases.

While adoption may be slow currently, only 26 percent of U.S. consumers are open to the idea companies such as Starbucks are proving its worth, charging more than 3 million micro-transactions last year.

By integrating with existing mobile applications to help a person keep on budget, the virtual wallet could be the last piece in the puzzle for mobile-to-street commerce.

IN 2009, market share for smartphones in the United States was 25 percent. Today, that figure is at 38 percent and growing, with Nielson reporting that 55 percent of all new phone purchasers are opting for a smartphone.

With the accelerated adoption of mobile devices with smart capabilities, the bridge between Internet and storefront is growing stronger and quicker to cross.

With tools tearing down walls between consumer and small business owners from discovery to purchase and to re-engagement we are entering a new era of local commerce.

Driven by mobility and information, the world of consumers and the world of local businesses are merging in a way that creates real, honest economic strength.

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