

COLUMNS

Driving in-store sales with mobile marketing

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Product inventory has traditionally been considered a supply chain and backroom issue, having little impact when it comes to attracting sales or foot traffic.

However, with the advent of accurate mobile location technology in recent years, this thinking has been turned upside down. Product inventory that has always sat in the backroom can now be used front and center to attract customers and drive conversions.

Building bricks

Few bricks-and-mortar retailers have taken full advantage of the opportunity to marry their location-based product inventory with shoppers' location-based product demand.

According to Cisco's 2013 third annual survey on consumer shopping behavior, 48 percent of shoppers use or would like to use their smartphones to shop while in-store or on the go.

This presents a huge opportunity for retailers in the mobile medium to get the attention of shoppers at exactly the right time and guide them in-store to make a purchase.

Generating quality foot traffic is only one of many challenges faced today by bricks-and-mortar retailers:

Lower prices from online retailers: It is no secret that the low overhead of online retailers allows them to drastically reduce prices.

But now that mobile has entered the picture, bricks-and-mortar retailers can compete through the use of targeted, location-based promotions and pricing.

Abandonment and lost sales: The unpredictability and frustration created when shoppers cannot find the product they want and waste time going to multiple stores to find it can lead to repeated lost sales as these shoppers will often turn to online sources.

Retailers who make their inventory information widely available will be at an advantage. They will be seen by shoppers as a reliable resource for finding and purchasing exactly what they are looking for when they want it.

Advertisement relevancy and wasted marketing dollars: Mass-market advertising is often ineffective when shoppers do not have the ability to act on the promotions locally.

The irrelevancy of broad campaigns to the local shopper can lead to wasted marketing dollars.

Mobile campaigns combining product inventory information with location-based targeting can be a great way for marketers to improve marketing performance and ROI.

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Where it's at

In addition to addressing the core issues related to driving shoppers into bricks-and-mortar stores, mobile also introduces the ability to measure marketing effectiveness by tracking ad views or product searches leading to in-store purchases through the use of mobile coupons or special prices.

The aggregate data coming from shoppers' foot traffic provides unprecedented insights into what factors influence shoppers to walk into a store.

With this location capability, marketers can attribute results to specific marketing campaigns with supporting metrics such as foot traffic and sales by location.

Having a presence across a variety of shopping applications presents an attractive way for retailers to combat showrooming.

Based on a Nielsen and PriceGrabber study, 31 percent of consumers have downloaded a third-party shopping app, 41 percent of them have used mobile coupons at grocery stores, and 26 percent have scanned QR codes for product information.

When a retailer's product information is readily available to these shopping apps, shoppers who are looking for that information will be able to easily find it.

In particular, since shoppers are turning to apps for product and availability information, they may not even consider a retailer who does not appear as a result in their app of choice.

Thus, being present in the app ecosystem dramatically increases the likelihood that the shoppers will consider a retailer during their purchase decisions.

THERE ARE tremendous opportunities associated with mobile.

Retailers who test and implement innovative ways to use mobile, not only for mobile commerce, but also to drive in-store sales, will gain an advantage over competitors as mobile continues to emerge as an important marketing and sales channel.

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