

COLUMNS

Beacons: Reimagining the in-store experience

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By **Sep Seyedi**

We have been seeing a lot of trends well into the second quarter, but none quite as prevalent as beacons.

Beacons, simply put, are signal transmitters that recognize smartphones via Bluetooth Low-Energy (BLE) technology. The BLE technology can detect smartphones within a range and automatically send relevant content.

The big question is: How is this small hardware going to have a big effect on the future of in-store experiences?

Shining a light

Beacons will add contextualization to the overall shopping experience and can enhance everyday experiences by building stronger connections between people (consumer) and places (retailer) through personalized, real-time responses and continuous dialogue.

By connecting with consumers through mobile, the channel for communication will widen, allowing retailers to interpret needs in real-time, which ultimately brings brand loyalty to the next level.

Now, more than ever, breaking the ice between consumers and retailers is becoming increasingly important.

Beacons have quickly become the new conversation starters, bringing technological innovation to the forefront of retail.

How retailers win

According to research from the Google Shopper Marketing Agency Council, 84 percent of mobile users actively use their smartphones when shopping.

Beacons can help retailers capitalize on this trend, by communicating directly with consumers on their mobile devices as they shop.

From a marketing perspective, beacons present retailers with the opportunity to highlight the products and services that they want to bring right to a customer's fingertips.

Retailers are also able to capture rich data on consumer behavior.

For example, retailers will be able to tell the amount of time a customer spends in each area of a store, how they navigate through the space and even more important, how many and how often customers are walking by the storefront and not entering.

storefront and positioning.

The value of collecting and interpreting such data can lend itself to improved content strategies, and store layouts can maximize interactions with shoppers.

Also worth mentioning is that beacons are inexpensive to pilot and test, typically starting at just \$2 per unit. And they are highly efficient, lasting up to two years on a single battery.

These benefits have some of the biggest brands buzzing: Macy's, American Eagle Outfitters and Major League Baseball (MLB) have recently announced beacon initiatives.

Consumers also win

We have all been there: walking in and out of stores, on the hunt for sales or new products.

Beacons can alleviate some of the stresses of shopping by serving as a handheld customer service representative that provides relevant information at the very moment it is needed.

Consumers are constantly looking for increased efficiency when it comes to shopping, and technological innovation is providing answers to the question of how in-store experiences can change for the better.

Whether it is receiving an alert on a sale when you are near a store, or skipping the line at the register by checking out via touchless payment at mobile terminals around the store, beacons can help make shopping easier, more convenient and efficient for consumers.

Driving loyalty

Generating loyalty from customers ultimately comes down to how well a company understands the needs of its customers and how quickly they can respond to satisfy those needs.

Beacons can help retailers do that by leveraging the data collected on customer behavior, pairing it with past shopping habits and delivering personalized messages, offers and incentives at the appropriate time to streamline the shopping experience for each individual proactively rather than retroactively.

Offers, promotions and branded content can be tailored to reflect the needs that a particular customer has demonstrated and is exhibiting in real-time.

Cues of that behavior could be picked up simply by tracking how that mobile customer is navigating through the store with hot spots marked to send alerts when matched to the user profile, thus improving customer satisfaction and, ultimately, fostering loyalty.

WHILE THERE is still more research and testing to be done, retailers will be focused on meeting customers in their preferred space.

There is no better time to jump on the beacon bandwagon, because if its popularity is in any indication, beacon technology is here to stay.

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