

# Mobile Tech 2015

The trends and services that will help you engage customers on the go

**M**arketers poised for success know that connecting with consumers via mobile devices is critical in today's connected world. Be it through webpages, videos and email messages optimized for mobile viewing, or more advanced tech solutions such as location-based messaging, marketers need to leverage mobile technology more and more moving forward.

The recent holiday shopping season proves that mobile has arrived and isn't going anywhere, with IBM Digital Analytics Benchmark reporting that mobile traffic accounted for 45 percent of all online traffic for the holiday season, an increase of 25.5 percent over last year. Mobile sales accounted for 22.6 percent of all online sales for the 2014 holiday season, an increase of 27.2 over 2013.

It's a given that marketers need to keep mobile technology on the front burner for 2015 and beyond. Here's a look at trends in the mobile technology space that marketers should be monitoring, and tips on where mobile marketing tech is heading in the future

## LOCATION-BASED SERVICES

Using GPS and location-based technology to reach consumers when they are near retail locations, for example, is a tech trend that's taking off.

One popular strategy is leveraging geofencing, which is based around creating virtual barriers around a specific location and getting consumers to opt-in to messaging once they cross that boundary. When they come within a certain distance of a

retail store, for example, ad message pops up on their mobile screen with a call to action (such as an exclusive offer) to come visit the store.

The geofenced area can be defined on a case-by-case basis by a brand or location. The bigger the radius, the more people receive the message, but location-based specialists have noticed that as the size of the radius is decreased, the rele-

vance of the notification increases and so does conversions.

"That's a trend that is incoming—vicinity-based marketing. When I go to look for a menu for a fast food restaurant, I expect that my mobile phone will ask for location, so that I don't have to type anything in, I just hit the location page. Your phone is always

*Continued on page 2*



*Continued from page 1*

communicating with the GPS, and that allows for people to know where you're at. It goes even further when you go inside retail stores. They not only know you're in the building, they know where you are in the floor space," says Ron Hadler, director of technology services Red Door Interactive.

Beacon technology allows brands to know when customers are near certain displays in a store. These Bluetooth devices are set up inside locations to provide hyper-local engagement with users based on where they are standing. Beacons are more accurate than GPS or WiFi, and their range is much more controlled than geofenced areas.

Offering customers access to free WiFi connections is another way to gauge location.

"It doesn't just provide a free service for the customers, it allows them to track who's in their store and how many people are passing by," Hadler says.

## OPTIMIZATION

Making sure that web experiences for customers are optimized for mobile devices is very important for marketing teams, because if a website is difficult to read or navigate on mobile consumers won't even bother wasting their time on it. More and more marketers are adopting a mobile-first approach to web design, Hadler says.

"We are not considering the desktop in that experience when we sit down with clients and start our planning. It's more about considering that most of the time, a person's first interaction with your site will be through a mobile device, so that really helps us boil down a website and figure out what the essence is. What are the activities that someone will do on your website, what are they looking for and what do they need to accomplish? Once you understand that, you can optimize actions, words and images for mobile. It's a much better approach to planning a website or online presence," Hadler says.

Tips for optimizing for mobile include closely studying web analytics, because it will paint a clearer picture of what users are doing on a website and which features are most important.

"Analytics will highlight the two or three activities that should be front-facing for users," Hadler says.

Dealing with consumer cross-device activity is still a challenge, as many users will start an interaction with a brand via mobile, then move to a tablet device or desktop to continue the interaction or transaction.

"Being able to identify that user as a single user as opposed to multiple users is challenging. Allowing users to sign on to a website via social media accounts is one way to address this issue, because it will keep the user signed in across platforms. It allows

## IMPROVING CUSTOMER EXPERIENCE THROUGH MOBILE

Target's new mobile app is aimed at improving customer experience, and includes technology that allows users to create shopping lists in-app and maps store footprints to make items easier to find.

The retail giant is leveraging Point Inside's Store-Mode technology, which allows customers to make their own lists to see if specific items are available at a certain store, and pins item locations on a map of the store to help customers find what they're looking for. Auto-complete text functionality allows guests to quickly add items to their shopping lists, and interactive maps will provide store layouts and "doorbuster" locations for Target's sales.

Webimax CEO/founder and ecommerce expert Ken Wisniewski says Target's new app is an example of what brick and mortar retailers should be looking to do in order to survive in a mobile-driven landscape.

"Bridging that gap between the physical and digital domains will engage users in a way that can drive sales. The problem hasn't been that people are unwilling to go out and make in-store purchases, but that people are getting so used to shopping with all the available information they could ask for right in front of them," Wisniewski says.

Including these kinds of features directly in the mobile app is providing value and helping customers by giving them the information they need—and by making sure they're not wandering around stores for items that aren't in stock.

Wisniewski sees this type of app combined with a mobile payment feature as the future of retail. "I don't think people will ever give up entirely on brick and mortar stores, but they may give up on stores that don't enhance the [in-store] shopping experience."



us to connect users together and Facebook does a really good job with it, tracking users where they are across multiple websites. Amazon does this too, and it's the Holy Grail of tracking where I can start out on my phone, put something in my online cart and

*Continued on page 3*



*Continued from page 2*

finish up the transaction on desktop,” Hadler says.

In mobile commerce, it’s important to recognize that people are browsing via mobile and putting items in their online cart, but they may want to finish the transaction on a desktop.

## MOBILE EMAIL

Responsive design was the big buzzword a few years back, as marketers began to recognize that web pages needed to look great regardless of the platform they were being viewed on if they were to generate a great response. That concept has slowly trickled over to the email marketing spectrum.

“The transition is happening, but our email clients are still not quite there. We have anywhere between 65 to 75 percent coverage on email clients that use responsive design emails. It’s a good idea to approach email as mobile-first because email, even more than websites, is absolutely being read on mobile devices,” Hadler says.

As people are now transitioning from browsers to mobile email applications, mobile apps from email providers such as Google, Yahoo! and Microsoft are optimizing emails to make them readable—to a point.

“That has helped a lot, and I also think that’s why we’ve seen a delay in responsive designed emails, because you have mobile applications doing a lot of that grunt work for you so that it looks good on both desktop and mobile,” Hadler says.

Using text messaging to reach consumers directly on their mobile phone is an emerging marketing

tactic, as people tend to pay closer attention to texts than email.

## SMS TEXT & MOBILE MARKETING

“We’re seeing text messaging as a new way to communicate with consumers. People are basically drowning in email and there aren’t as many text messages, so there’s less noise. We’re not seeing a lot of spam text messages at this point, either. So it’s a more direct way to communicate and you see a higher response rate because you are reaching someone most of the time with a text message. We’re seeing a lot of opt-ins like this, and it’s a great way to communicate. To me it’s a much more direct and easy way to deliver a message versus email. It’s more native to the phone and it’s sparse in the communication, so it’s a great way to get to people, communicate with them and engage them,” Hadler says.

Consumers are becoming more open to opting in to branded communication from sources they want to engage with, Hadler says.

“I think it’s generational. We have a generation of people who have grown up with texting technology and they are now becoming adults with purchasing power. They are bringing everyone else along because they are so used to it because they live through texting. You’re probably not going to check if a new email comes in, but you are likely to check if a new text message comes in,” he says.

In addition, the cost to send text messages and incorporate them into an app or a website has come down considerably. This technology is easy to use, API-driven and very reasonable—as little as a penny per message, Hadler says.

## VIDEO CONTENT FOR MOBILE

With the rise of mobile video, marketers need to make sure that they do their homework before diving into this space, or their messages may go unheard.

“Video is everywhere, and it can be a double-edged sword. I don’t think that we’ve quite got the optimization down perfectly for mobile, so we end up doing beautiful things with HTML 5, dropping mobile videos into pages. I don’t think we’re optimizing enough for mobile video right now. Websites like YouTube are optimized and designed for mobile, but I don’t think most websites are as optimized as they can be. I think we will eventually have the same slick experience on mobile that we currently have on the desktop,” Hadler says.

## SECURITY AND PRIVACY

Keeping consumers’ security and privacy in mind

*Continued on page 4*



## MOBILE SHOPPING GAINING STEAM

Consumers turned to mobile devices more than ever before during the biggest retail weekend of 2014, with mobile traffic accounting for more than half of all online traffic during Cyber Weekend, which kicked off the holiday retail season right after Thanksgiving.

On top of that, Cyber Monday mobile traffic accounted for 41.2 percent of all online traffic, up 30.1 percent over 2013 according to data from IBM's Digital Analytics Benchmark app. Mobile sales were also strong, reaching 22 percent of total Cyber Monday online sales, an increase of 27.6 percent year-over-year, and overall online sales grew 8.5 percent compared to 2013, with mobile sales up 27.6 percent year-over-year.

During "Cyber Week" (spanning from Thanksgiving through Cyber Monday) IBM Digital Analytics Benchmark found that overall online sales increased 12.6 percent, with mobile sales up 27.2 percent compared to 2013. The data showed that Apple iOS devices continued to lead in mobile shopping with traffic more than twice (and sales nearly four times) that of Android devices during Cyber Week.

"For the first time mobile devices drove more than half of Thanksgiving online traffic, a trend that continued throughout Cyber Week," said Jay Henderson, Director, IBM Smarter Commerce. "As the holiday shopping season becomes less concentrated on a single day, retailers and marketers took advantage by making it easier for consumers to find the best deals on the go, whenever and wherever they chose to shop."

## BLACK FRIDAY HANGOVER

Data from retail personalization technology provider Monetate showed that ecommerce traffic spiked 10.33 percent over 2013 to 30,518,366 sessions, with mobile driving this spike as smartphone traffic increased 51.90 percent year-over-year, and smartphone revenue increased 49.10 percent YoY.

"The Black Friday hangover impacted retailers in a very positive way, as there were significant spikes in traffic, revenue and conversions on the Saturday after Thanksgiving. Mobile continues to drive this trend, as it appears that shoppers browsing on Black Friday decided to make purchases via smartphones and tablets on Saturday as many deals and specials continued online," says Monetate CEO Lucinda Duncalfe.

Data from Demandware, which supports websites for more than 900 for retailers globally, found that 11 a.m. (local time) on Black Friday was peak shopping time, and that smartphones were device of choice on Thanksgiving, with mobile visit share reaching its highest traffic peak (42 percent) at 5 p.m. local time on Thanksgiving, with a peak in orders at 9 p.m. local time.

*Continued from page 3*

is critical when coming up with mobile marketing plans, because security breaches can result in loss of trust with consumers and some seriously bad PR.

"I think that because mobile technology is so personal, it's tricky to get personal without overstepping those boundaries because people are still concerned with their privacy," Hadler says.

Creating apps that are too intrusive or request access to personal information on mobile devices upon install can be a turn-off for consumers.

"It's one of those things you need to consider when creating application and looking for permissions. Just ask for things that are absolutely necessary instead of asking for the wagon wheel. It's building incremental trust—as someone uses your application and gets more engaged, you can ask for more permissions to get deeper into their lives. Things like access to text messaging, access to all their contacts and things like that. I think it can be intimidating and scary. Giving users control can be a big help and incremental permissions can put you in a better position to gaining someone's trust," Hadler says.

## WHAT'S NEXT

Increased personalization and use of location-based services could just be the next big thing in mobile marketing tech. Vicinity-based marketing programs will help bridge the gap between digital and real life, especially with technology such as beacons, which really help marry digital and real life experiences, according to Hadler.

"I think that's still vastly under-used and under-tapped in marketing. And I think we will see growth in translucent marketing, where everything users see and hear is personalized. If I'm walking by a kiosk and my phone is talking to that kiosk, messages will be personalized for me. The 'internet of everything' is putting sensors into almost everything that we have, be it washing machines, stoves or even houses, so we're going to see an increase in having things personalized for us," Hadler says. ■



Patrick Gorman  
Senior Editor, Chief Marketer  
pgorman@accessintel.com  
Twitter: @CMPatGorman