

Digital engagement

13 tried-and-true technologies that are changing the game for the in-store experience

By Sheena Patel

Retail is no longer a matter of simply selling product—it's about empowering, educating and involving the consumer. It's about allowing shoppers to experience the brand across multiple platforms on their own terms. Retailers have been embracing a host of new digital technologies to transform their physical stores into multichannel offerings, where “online” converges boldly and enticingly with “offline.”

New digital display technologies, including augmented reality, gesture recognition and real-time interaction, can facilitate the purchasing process and keep shoppers informed and entertained, greatly enhancing the overall in-store experience. With game-changing advances in e-commerce and m-commerce, physical stores have to work harder to draw customers in, engage them and encourage purchases. People are becoming accustomed to receiving instant information and entertainment through smart phones, and now expect a similar level of engagement from the physical world, especially within retail stores.

So, what are the different methods and technologies that retailers can employ to achieve this?

At a busy train station in Tokyo, drinks supplier **JR East Water** launched the **aCure touchscreen vending machine**, which uses an embedded camera and face-recognition technology to determine the age and gender of each user, and recommend soft drinks based on his or her profile. This concept could be easily adapted for use in-store, offering product suggestions within a supermarket or even a fashion boutique.

Personalizing the retail experience

Technology provides a valuable opportunity to tailor the shopping experience for each customer. Personalization is a common feature of e-commerce sites, which remember online shoppers each time they visit and make recommendations based on previous purchases. Physical stores have the ability to customize the retail experience even further.



Design: Design Studio S (www.design-ss.com)

The **social** element

With the emergence of social media and geo-location apps, people are becoming accustomed to broadcasting new discoveries to their entire network of friends in real time. Tech-savvy retailers are facilitating this within the retail environment. By encouraging customers to get immediate feedback on products from their friends, they increase the likelihood of purchases being made, while also generating word-of-mouth promotion.



Photo: RVDA

Design: Wonderwall (<http://wonder-wall.com>) and Liganova (www.liganova.com)

U.S. fashion brand **WE** has introduced a **Twitter Mirror** within dressing rooms, enabling patrons to take a photo of themselves modeling a garment and upload it to Twitter. Meanwhile, a touchscreen scanner displays information about the in-store and online availability of different sizes and colors, while an additional screen can be used to browse WE's e-commerce site, make purchases and arrange home delivery.



Design: FullSIX (www.group.fullsix.com)

In Spain, **Diesel** is using interactive installations in its dressing rooms, where shoppers can log onto their Facebook account through a **Facebook Connect app** and publish images of themselves trying on new outfits. These can then, of course, be commented on by friends.

At its Inspiarence Centre in The Netherlands, domestic appliance brand **Miele** gives its visitors use of an iPod Touch to help them navigate the space. Customers register online in advance to make an appointment with a product advisor. In the Inspiarence Centre, a **GPS-enabled iPod Touch**—preprogrammed to the user's requirements—guides them around the store to items of interest and automatically triggers relevant products to appear on high-definition screens. It also causes their preferred scents and sounds to be emitted as they enter a new zone. The system also provides valuable shopper information by monitoring visitor routes, hotpots and dwell time.



Design: Scala (www.scala.com) and House of Media Experience (www.houseofmediaexperience.nl) and Troades.

The fun factor

Advanced technologies provide myriad ways to engage and entertain shoppers. A lighthearted, immersive approach is a welcome diversion for many consumers looking for a slice of escapism and entertainment. Adding an element of fun and excitement to routine experiences, such as changing rooms, queues and transient retail, will delight visitors and generate repeat customers.



Design: Ogilvy & Mather (www.ogilvy.co.uk)

Aiming to provide some distraction for young minds is the **dual-screen billboard** by Ford in the United Kingdom. The billboard had one screen for adults, which played an interactive video of a new car model, and a lower-placed one that provided puzzles and games for children. In total, 11 screens were installed at airports and retail centers nationwide, each generating more than 20,000 interactions over a two-week period.



Design: Innovae Vision (www.innovaevision.com)

Adding vitality to a somewhat ordinary product, home fragrance brand **Ambi Pur** installed interactive demo booths at retail centers across Spain to promote its new 3volution range. Customers could hold one of the products in front of the screen to trigger an **augmented reality (AR)** visual depicting scenes related to the fragrance, which was accompanied by scents emitted from the booth.



Design: R/GA (www.rga.com)

Recognizing that play is crucial when shopping with children, the new flagship store for children's clothing brand **77kids** by American Eagle employs two **interactive screens** that offer a fun way to involve kids in the shopping process. Young users can select in-store music, play games, try on virtual items of clothing, and take photos of themselves that can be customized and printed out.



Design: New Look in-house and IncrediBULL (<http://incrediBULL.com>)

Fashion brand **New Look** set up a photo studio at its flagship store in Dublin, giving customers the opportunity to be featured on the cover of a virtual **New Look** magazine. Participants could try on clothing in the adjacent changing rooms before entering the studio and activating the **virtual photographer** via an interactive touchscreen. Their favorite image could be uploaded to the virtual magazine cover, which was displayed on screens around the store and could be shared on the user's Facebook page.

Umpqua Bank in the United States has long been known for its smart use of technology. Alongside interactive displays providing information about the brand and its services, the bank has recently introduced a Return on Responsibility **touchscreen wall** to select stores, which offers real-time updates on Umpqua's local community efforts.



Design: Miller Hull (www.millerhull.com)

Photo: Lara Swimmer



Design: D-Sign Interactive (www.dsigninteractive.com)

In Canada, **Jugo Juice** bar has installed an interactive window that employs **gesture-recognition** technology to help customers to select and design their own smoothies. Using hand motions, the user can select her favorite fruits to receive a selection of smoothie suggestions to choose from. Her chosen drink can then be collected and paid for inside the shop. Data capture enables the brand to assess how long people interacted with the screen, as well as identifying the most popular flavors.

Tell me more

Consumers have always been interested in the background of the products and services that they buy into. This ranges from the components and processes that go into making each item, and the health benefits and sustainability of a product, to the overall culture and philosophy of the brand. While some of this can be researched online, digital touchscreens are an effective solution for communicating such a wide range of information in a simple and easily navigable way that can be frequently updated.



Design: TOTEM (www.youtotem.org)

Recognizing that a product can be made more appealing if it has an interesting and compelling tale to tell, U.K.-based charity **Oxfam** launched the RememberMe initiative at one of its London stores. People donating unwanted goods were encouraged to record an **audio message** for each product, which was then given a QR code tag. This could be scanned by other shoppers using a mobile phone to trigger the accompanying recording to play on in-store speakers. Shoppers without QR-code readers on their phones could use Bluetooth wands handed out by staff to the same effect.

Bringing **online** offline

Many of the conveniences and features of e-commerce sites can easily be implemented in-store to complement the existing retail offer in a format that consumers will already be familiar with. This is often achieved using touchscreen displays, which can be installed inside the store or within the exterior façade to add a layer of entertainment, information or convenience—or even all three—to the customer experience.

Watch brand **Tissot** set up an interactive wall within the windows of London department store Selfridges, where pedestrians could virtually try on watches using Holition **augmented reality (AR) technology**. Paper wristbands handed out by brand representatives displayed an AR symbol, which, when held up to the screen, displayed a virtual watch on the user's hand with a selection of straps to try on. This resulted in an 85 percent increase in sales at the Tissot concession in-store.



Design: Holition (www.holition.co.uk)

AD



Design: Start Judge Gill (www.startcreative.com and www.judgegill.co.uk)

adiVerse is a giant interactive screen that is set to appear in **adidas** stores in the United Kingdom later this year. It will virtually stock the brand's entire footwear range, with each item available to view in great detail from any angle. Users will also be able to browse information and promotional videos about the shoes, and arrange orders for in-store pick-up or home delivery.

The conclusion:

Interactive technologies provide vitality and richness to the retail environment, while helping the brand to link all of its channels into one interconnected, compelling offer. What's more, they allow each customer to have his own individual experience, based on which digital elements he chooses to interact with and how. By bringing together multiple platforms within a physical retail space, people are given the freedom to navigate a store the way they choose to—and it's this freedom and choice that can play a big role in generating loyalty, purchases, repeat customers and endorsement. **DDi**

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Shopping for kicks

GPS technology bridges the physical and digital retail experiences

By Janet Groeber

If getting customers in the door is job one for retailers, then why not pay them? That's the thinking behind shopkick, a location-based smartphone shopping application that marries geo-location (GPS) technology with loyalty and in-store discount strategies, plus elements of gaming. Palo Alto, Calif.-based Shopkick Inc. makes a point of noting that its shopkick

application is not a social check-in app like Foursquare or Gowalla, but a way to help customers bridge the physical and digital shopping experiences.

Customers with the shopkick app can accumulate loyalty points (called "kickbucks") by visiting a store, scanning a bar code or trying on certain items—whatever specific behavior the participating retailer wants to reward. Once the customer is inside the store, the retailer can choose to offer additional incentives, such as bonus points on specific days or dayparts to increase traffic. Kickbucks can be redeemed for gift cards or other prizes, or for charitable donations and Facebook credits. Shoppers can open the app to see a list of nearby participating stores they can enter and learn the number of kickbucks each offers.

Debuting in August 2010 with a live demo in New York, Shopkick Inc. recently told *The Wall Street Journal* it had attracted 750,000 users since its debut and signed Best Buy, Crate & Barrel, Macy's, Sports Authority and Target (about 1,100 individual locations) to its client roster. Shopkick works directly with retailers to provide in-store rewards. Macy's, for example, has an ongoing bonus offer for shopkick users (100 extra kickbucks) if they visit a counter to try a featured fragrance. Retailers pay Shopkick to be included in the app and featured in special promotions.

Shopkick has also been working with consumer product manufacturers, including Kraft and Procter & Gamble, to offer smaller rewards for checking in and scanning products at 230,000 retail locations.

It works this way: the shopkick app, when open on a smartphone using Google's Android operating system or on an iPhone, can detect a signal emitted from signal transmitter devices (about the size of a brick) located in the participating store. Start-up costs are fairly low, according to the company. Each device runs about \$100 and requires an electrical outlet. In addition to the cost of each transmitter, retailers pay Shopkick a small fee for each kickbuck they hand out. And if a consumer buys an item after using the app, Shopkick gets a percentage of that purchase price.

Shopkick says its location detection is more precise than existing GPS technology—which can only tell if a shopper is in the general area of a store—making Shopkick's technology suited for malls and shopping centers.

(Traditional GPS location-based services require shoppers to "check in" and are only accurate within one or two blocks or don't work within centers.)

Although location-based cellphone marketing is in its infancy, Shopkick Co-Founder and CEO Cyriac Roeding says, "Retailers and businesses will continue to jump on board, because their No. 1 problem is foot traffic." Shopkick is the physical-world equivalent of Google's online pay-per-click model, he notes. "[A lot of] CMOs at major corporations are now willing to put dollars there." **DDI**

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Incorporating mobile and QR codes into marketing strategy



The use of mobile devices during the shopping trip is being driven by the shoppers themselves.

If you've spent any time at all recently reading about marketing, you've been inundated with articles about mobile and the coming impact it will have—indeed, is *having*—both on marketing and on the way people shop.

Every day, a new statistic comes out proving that mobile is the next big thing, and that we all need to get on the bandwagon or risk missing the big opportunity. This has fostered much activity in the retail marketing universe, with CEOs all over the world clamoring for an iPhone app as soon as possible.

Marketing executives, for their part, are busy concocting a “mobile strategy” to cash in on this activity. But, many of these efforts will fail. Mobile is not an end unto itself; it doesn't need a standalone strategy. What it needs is a definition for how it fits into the overall marketing strategy—assuming, of course, that the retailer in question has a broad marketing strategy.

Mobile is a medium, nothing more. But it happens to be an extremely attractive medium, in that consumers are rarely without their mobile devices. What were once simple telephones are quickly becoming pocket-sized computers that are always on and always connected. This makes mobile a consumer touchpoint with a value opportunity unlike anything we've seen before.

Additionally, the mobile user's mindset is different from most media consumption: show me an ad while I'm watching my favorite TV show, and it's an interruption; show me an ad while I'm searching for a product, and it's valued information that can influence my purchase decision. More frequently, this is a medium that the shopper interacts with while at the shelf, looking for additional information that will inform her purchase decision.

If the shopper has made it all the way to the shelf edge, then mobile can help push her that final foot or so to complete the purchase cycle; the easier the retailer makes this action, the better. QR codes at the shelf edge can facilitate this communication, allowing for quick connectivity to specific information about the product, possibly coupled with a compelling offer or cross-promotion to further add influence.

This means that the mobile components need to tie strongly into other marketing efforts—all of the external communication must be effective and integrated, right down to the shelf edge. Mobile will add the finishing touch to an effective advertising campaign, but it is not a panacea for a poor one.

So far, 2011 is shaping up to be the year of the QR code, but how successful it will be depends on how those codes are implemented. Use them to connect the shopper to incremental, relevant value that complements the overall message, and shoppers will buy and come back for more. But use them in a disconnected fashion, e.g. to deliver a short-term coupon, and expect poor results over the long term.

Mobile is here to stay, and the use of mobile devices during the shopping trip is being driven by the shoppers themselves. It's our job as marketers to align our communications with the shoppers' use, and bring relevance that wasn't available five years ago. Shoppers will expect nothing less. **DDI**

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