

Retail goes mobile

– opportunities in m-commerce



By Robelen Bajar

The state of the online nation:

2010 has seen Australia move ever closer to hyper-connectedness. New acquaintances at seminars, conferences, networking events, parties and soirees are quickly added as Facebook friends, Twitter followers or LinkedIn connections using a mobile phone. It is almost expected that a person or business would at least have some form of social media presence, a blog or a website, the way we expect any modern-day person to own a mobile phone.

With nearly half of Aussies owning a smartphone last year, it's no surprise that the most popular activity was internet searches, jumping from 30 percent in 2009 to a whopping 73 percent as reported by the Nielsen Company. And thanks to the introduction of mobile data cap plans, accessing email, searching on the net, checking news and connecting with friends via social media while out and about has become the latest mod-con. In 2009 alone, Facebook was the overwhelming favourite social media site among mobile social networkers with 92 percent popularity over Twitter and Youtube. And according to the Nielsen Company, apart from posting links, uploading photos and sharing our lives among friends, 86 percent are looking to online connections for opinions, recommendations and information about products, services and brands.

In addition to our growing appetite for more frequent and more candid interactions through mobile social networking, Forrester Research proclaimed 2010 as having the highest rate of growth Australia had ever seen in online sales. This is backed by Google who declared 2010 as the year of the Aussie online shopper. It launched the first ever Australian Brand Zeitgeist which lists the most popular brand names based on Australian Google searches.

And the results are interesting. Who would have thought "Eastbrooke Family Clinic" (it's in Essendon - an inner-city suburb of Melbourne) would be the fastest rising search term on Google Maps? Or that Aussies' repeated Google search on "Woolworths online shopping" made it the number one search term for retailers? It is clear that despite overseas retailers remaining dominant online, Australian customers are searching for local businesses - shops, restaurants, medical centres and venues - that are near them. More importantly, they are doing it online and on the go.

Mobile websites:

According to eBay, Australian consumers bought more than one million items on eBay using a mobile device in 2010. Mobile shopping is a growing phenomenon hence many mobile sites are built for shopping.

Mobile websites are designed for easy access on smartphones which often have slower internet connections and much smaller screen sizes. But before you embark on a mobile site development project, here are some helpful guidelines:

Every mobile phone is different – Mobile devices come in different screen sizes and keyboard types which means a different set of technical considerations.

Make it task and goal-oriented – A mobile website is used while on the move – on planes, trains, trams, buses, cars. People could also be on a holiday, running around after kids, at the gym or in meetings - all while trying to access your site on a mobile phone. Use context in the design. Customers want to quickly look up prices, contact details, locate a restaurant or order an item. Make it super easy.

Keep everything simple – There is little room to fit everything inside a small screen so you need to serve customers what they need in the most practical and usable way. Prioritise your content and simplify everything.

Mobile applications:

Mobile apps (also known as a native app) are specifically designed for use on a particular device or platform – iPhone, Blackberry, Android, Windows. They are usually highly interactive and offer quality user experience because, unlike mobile websites, application developers directly hook into a mobile device's operating system to create applications that entertain, compare prices, give directions, find venues, book tickets, measure fitness levels and so on. Mobile apps are the flavour of the moment and the market is flooded by numerous apps that do countless things. You need to decide the purpose of your application and how it can help to promote your business and ultimately, sell your products. Online retailers considering developing mobile applications need to address the following:

Your customer's mobile device or platforms - Mobile apps are specific to a device, so you need to know what platforms your customers use. Is it the iPhone or Blackberry? Will you design a mobile app to cater for both or focus on one the majority uses?

Support and upgrades – New versions will need to be released and supported in the application store so factor in ongoing development time, costs and resources.

Research – Mobile app development can be costly so before you jump into digital marketing's flavour of the moment, make sure you do your research.

Which one is better?

The main advantage of mobile websites is its cross-platform compatibility. Unlike mobile apps that are specific to a mobile device, a mobile website works across all platforms which ultimately means it is less costly to develop and maintain.

Mobile apps offer greater interactivity allowing you to create highly engaging applications with equally high quality user experience, whereas a mobile website has limited ability to interact with the mobile device's features such as GPS. For example, a mobile site cannot interact with the contact list on your phone, items on your calendar or your current location the way mobile apps like Foursquare or Foodfinder determine where you are at any given time and recommend venues, restaurants or store promotions nearby.

Ultimately, you need to understand your customer's needs, be clear about what you want to achieve with a mobile presence, and determine your investment returns.

SMS marketing

SMS marketing has grown in popularity among many small

businesses such as dentists and hairdressers that send appointment reminders or retail stores that wish to drive foot traffic for a weekend sale. It's easy, it's cheap, response is immediate and it's highly measurable. It's neither a highly sophisticated mobile marketing tactic nor is it sexy or exciting, but executed properly, it works.

Geo-targeting and social media

Location-based marketing allows you to deliver promotional messages based on the location of your target market. Facebook Places and Foursquare are social media applications that allow businesses to offer deals to prospects nearby. These mobile applications work by letting people "check-in" to places they're visiting, alerting all of their social media connections where they are. Nearby deals and store promotions are presented to the user who then claims a deal simply by showing a sales assistant the redemption screen on their mobile phone. Foursquare in particular crowns a person "Mayor" if they "check in" often enough and savvy marketers will usually reward "Mayors" with a discount or promotional deal to encourage repeat visits.

The main benefit of these mobile applications is their viral nature. You are able to take advantage of people's connections online every time they "check-in" when they visit your store, bar, showroom or restaurant. Businesses with limited online presence benefit because they are able to share their in-store deals online.

Wagamama, Grill'd and Casa Perdomo in Brisbane are some examples of businesses that use geo-targeting tools like Foursquare.

Mobilising your business

There is no question 2011 is the year for retailers and other businesses that primarily have bricks-and-mortar operations to rethink the way they market their wares. With a highly mobile, internet-savvy, time-hungry, well-connected and well-informed consumer market, having a well-designed transactional website - a site that generates leads or processes online transactions - is simply a given. With other mobile marketing technologies such as Quick Response Codes yet to hit mainstream, a business' web presence needs to go beyond the desktop or PC environment to compete effectively in a busy, crowded, noisy, and ever-changing marketplace. ■

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