

COLUMNS

## From beacons to email: 3 retail marketing predictions

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New technologies have allowed retail marketers to develop better connections with their customers.

For instance, over the past couple of years, it has become possible to use consumer data to provide location-specific information and deals for a more personalized shopping experience.

Retailers are using technology to find new ways of directly engaging customers and delivering value, especially via their mobile devices.

And while technology offers plenty of exciting opportunities, what do marketers really need to pay attention to this year? Here are three things to consider as retailers develop strategies for 2017.

### Beacons will stall

Wider beacon adoption has stalled among retailers and is likely to continue in 2017. This stems from a combination of challenges.

First, on the consumer-side, beacon interactions are strictly opt-in.

Second, for beacons to be most successful for a retailer, the user must have the retailer's application installed and many single brand retailers, such as Ralph Lauren, are decommissioning their apps.

Users must choose to share their location and receive beacon-based communications at the app-level. In addition, they must also turn on Bluetooth functionality.

This degree of friction makes it challenging for retailers to maximize the value of beacon technology. Many have simply not done so given associated costs and budget for devices and campaigns beacons are not expensive, but building effective campaigns can be.

For those retailers who have installed beacons, they are still struggling to understand accuracy and attribution. These barriers must become lower for beacons to meet their potential.

## Email capture needs work

Customer email capture in-store is essential for any retailer big or small. But traditional point-of-sale collection remains cumbersome and ineffective for both consumers and retailers, and illegal in many states.

Consumers demand little friction at checkout. Most avoid providing email addresses entirely to accelerate the process, though emailed receipts have improved this somewhat.

Others are wary of email spam, as every brand competes for space in their inbox. These consumers do not provide their primary email address, offering an alternative that is rarely accessed or seen. And these are the barriers before email addresses are even validated by third-party technology and management tools.

The bottom line none of this is beneficial to retailers who rely on email marketing and customer loyalty programs to drive additional business in-store or save abandoned sales online.

In 2017, as email becomes an even bigger piece of the marketing mix, due to easy-access on mobile, retailers will seek better in-store methods for email address capture.

## Location will surge

Geo-location data is becoming critical for any bricks-and-mortar marketing effort. Now, more than ever, consumers use mobile devices as their second screen and go-to shopping companion.

To effectively engage consumers on mobile, retailers must lean more heavily on geo-spatial data and location-based marketing techniques.

Location, via mobile, allows them to contextualize a shopper and unlock personalization in a way other data does not.

While beacons have yet to deliver on their promise, programmatic ad-buying and more location-based mobile ad inventory will enable retailers to take advantage of location intelligence and to better target on-the-go shoppers.

This year, expect more retailers to make location the backbone of any mobile campaign.

IN 2017, we expect retailers to continue finding ways to improve their marketing efforts.

To achieve this, they will have to maneuver beacons' shortcomings and slow adoption, streamline and improve in-store email capture, and be ready to rely more heavily on geo-location data.

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