

5 Mobile (by Herman Kienhuis & others)

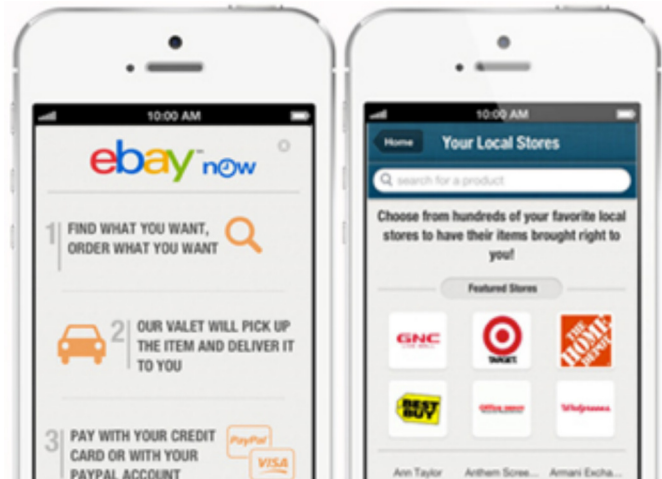
Retail ready for mobile revolution (by Herman Kienhuis)

One thing that became clear is that the rapidly growing usage of smartphones while shopping offline and in-store, will drastically change retail. Many US retailers have already embraced this and are providing mobile shopping companions, delivering true value to customers. The best example was **Walgreens**: with their award-winning app they offer a wide range of services: from store maps and coupons, to pill reminders and instagram photo printing. Some interesting facts: Walgreens mobile (+store+online) customers spend 6 times more than store-only customers and 50% of online refills (prescriptions) were ordered via a mobile scan of the medicine label, using the Walgreens app. Interestingly, Walgreens clearly chose for a single app approach: making the app an indispensable tool for every visit, being able to manage family members, manage rewards, health reminders, refills by scan (including an external developer program) and printing you instagram photos from your phone, in-store. (product video: <http://www.youtube.com/watch?v=QSqgcVseuqk>)



Another retailer with a well-used app is Meijer (US grocery store chain), with an app that focuses on eliminating friction with geo-fenced offers and dynamic in-store experience with maps and grocery list ordering.

Ebay is also predicting a revolution in shopping. The company has dropped the 'e' of e-commerce and is now a 'commerce company' with a big weight on mobile, being the hub that connects online & offline retail. In 2013 it expects USD 20bln sales on mobile. Their research shows that 79% of mobile users want coupons and deals, 67% shopped (browsed) on mobile and 38% already made a purchase with their mobile. Some interesting mobile stats: when they moved the buy button above the mobile screen fold, conversion increased with 30%; also push alerts at 7pm converted much better than at 7am; and clothing is their biggest category on mobile. Ebays powers webstores for retail brands and delivers in-store shopping experience via touchscreen kiosks (e.g. at Toys are us)

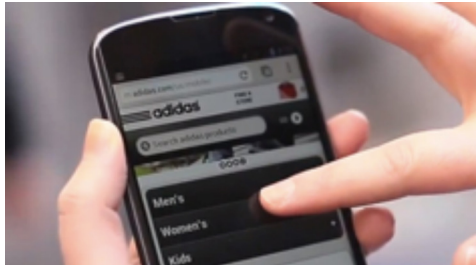


or in the future with holographic projections for interactive shopping windows. Last year, it launched Ebay Now, a mobile application for same-day delivery purchases from local partner stores. It is also planning to offer a dynamic experience with the so called Storefront app offering geofenced alerts when a customer is outside a shop and offering a different experience, including browsing locally available products, ordering products and paying via mobile when in-store. According to Ebay, Starbucks and Uber have with their seamless mobile purchasing experiences, clearly upped the expectation level for all purchases: from pizza to gasoline. (Ebay mobile apps video:

<http://blog.ebay.com/2013/01/video-ebays-updated-mobile-apps-make-selling-even-simpler/>)

Google challenged in mobile local search (by Herman Kienhuis)

Smartphones have put the local (POI) search market on a new level. **Google** showed a local (store) search case: **Adidas** determined the exact value of a mobile store locator search and subsequent conversion to offline store traffic and sales: \$3.20 per click, after which they started to invest in mobile/local search marketing with positive ROI. (case video:



<http://www.youtube.com/watch?v=EdCFxNvuvSI#>!). Google is very active in this field, also buying

local POI content, like Zagat restaurant reviews and Frommers travel guides. In addition to Yelp,

Foursquare has now also explicitly positioned itself in this space. It developed from a local check-

in game into a personalized local search & discovery tool ('find best of what's nearby'). The check-in is actually becoming less important and location discovery is put more upfront in the apps. Foursquare now has 30 million monthly users and created the worlds largest POI database with 3 billion areas of interest, which is being used via the API, also for instance by Instagram, Flickr, Vine and Path to tag location. Foursquare sees four layers of location: maps, routing, poi's and the social layer; in addition to being the best POI database, they are aiming to be the best social layer as well. Foursquare is very much focused on spreading its data and services through APIs; all the merchant tools are available via the API, e.g. to automatically push their own coupons to Foursquare. For content publishers they want to open up the API to publish location reviews directly in Foursquare. In the future, Foursquare sees a bigger role for Foursquare Radar: continuously scanning location and alerting/nudging the user when a relevant POI and/or contact is close. (infographic video of Foursquare check-ins in New York and Tokyo:



<https://vimeo.com/62289901>). New startups also challenge the leaders in the space: one startup creating some buzz at Austin was CitySeed, a human curated local POI search app: *Cityseed is a human-powered search engine for your neighbourhood. Results aren't based on algorithms or complicated formulas. They're centered on real information submitted by real people.*

Mobile enabling local communities and p2p exchanges (by Herman Kienhuis)

A noticeable development is the emerging success of new mobile focused local p2p platforms, following in the footsteps of Airbnb, the protagonist of the 'sharing economy'. After focusing on mobile, real-time and local relevance, companies such as **Zaarly** and **Lyft** are seeing clear lift in usage in locations where their 'minimum viable density' is reached. Zaarly changed from a

