

Swipe Nation

The current digital equivalent to a head nod is the swipe: right for 'yes' and left for 'no.' Few actions are as easy or intuitive as the swipe. Response is based on a visual cue and a mental reflex, with a positive or negative review completed within seconds.

Popularized by Tinder, the online dating app owned by the same holding company as Match.com, the swipe is becoming mainstream technology with apps extending the 'right for yes/left for no' concept to job opportunities, restaurant options, designer shoes, and bargain deals on anything from cars to electronics.

On the surface, a shopper's affinity for a system so incredibly simple is obvious. Our brains have never before been so taxed — needing to make thousands of decisions daily fueled by ever-increasing stimuli,

Building brand relationships can be as easy as right for 'yes' and left for 'no.'

courtesy of technology. In a very necessary attempt to funnel decisions, our reflex is to reduce options as quickly as possible. There may be no more expeditious manner of decision-making than swiping right for 'yes' and left for 'no.'

The stickiness of the swipe is bigger than just reducing the stress of daily choices. It is grounded in the theory of the Nash equilibrium, in which the strategy of two players will remain constant as long as each strategy is beneficial to its player. For example, men on Tinder choose to 'like' the candidates presented to them 46 percent of the time to provide a large field of potential matches. Women, applying more scrutiny, swipe right only 14 percent of the time.

The preferences of swipers feed an algorithm that presents more options consistent with their likes and fewer with their dislikes. With the restaurant app Nibbly, just a few right swipes of Thai and a single

left swipe of Italian means that Trattoria Contadina may not be an option for that particular user but Thai restaurants will appear in abundance. Similarly, the latest in four-inch strappy sandals will prevail over practical flats after a few right swipes by a fashionista using Stylect.

FIVE LESSONS FROM SWIPEMANIA

While limited to a handful of apps at the moment, swipe theory reflects how technology can tap into instinctive behavior. Even in the absence of an actual 'swipe right or left' application, the explosion of swipe apps offers important clues about what resonates with shoppers. Both traditional and online retailers can glean important lessons from the tsunami of swipe to earn greater shopper affinity and share of wallet.

1. Make Partnering Easy. Deep, productive relationships between shoppers and retailers insulate both parties from competitive distractions. The days of building loyalty with generic incentives of occasional coupons based on spending levels are long over. But just because shoppers want their favorite retailers to customize offers does not mean they are willing to trouble themselves with sign-up forms or exhaustive questionnaires.

Part of Tinder's incredible success is the contrast of its sign-up process with previous dating sites: one tap to link to your Facebook account will yield endless photos of potential mates in your area. No questionnaires or forms — faces can be swiped left or right within minutes. Shoppers will expect retailers to make any loyalty program registration equally simple, by linking them to existing profiles on social media to learn their preferences, versus requiring shoppers to fill out retailer-specific questionnaires.

2. Don't Ask the Same Question Twice. Shoppers need to know that their favorite stores are listening to them and learning *from* them in the way that swipe apps reflect all previous preferences. After sharing credit-card information, address, size, and style preferences with a retailer, shoppers don't expect to be asked for those particulars again — ever — when making a purchase in a store, online, or by phone.

Retailers like Amazon have reaped the benefit of

shoppers not having to re-enter purchase information, facilitating single-click purchases delivered to their porches or reception areas within days. Shopper affinity for retailers that keep key purchase information versus those that request it with each purchase is beyond the obvious convenience of minimizing steps between browsing and buying.

If a retailer cannot retrieve important information about buyers like credit-card information or a primary shipping address, they lose trust in that retailer's competency with their personal data. Retailers that ask for credit-card information more than once after shoppers have sanctioned that the retailer can and should hold onto it are communicating that they aren't listening to their preferences or, worse, that they are mishandling sensitive information.

3. Get Smarter with Every Interaction. To evolve beyond the basics, savvy retailers will apply a 'right swipe' logic of learning shopper preferences to present options that will appeal to that specific person at that specific time. For fashion retailers, sizes, colors, and styles are obvious data points. Is this a sale-sensitive shopper? Does she expect free delivery? In consumer packaged-goods, low-fat or gluten-free options should be noted. Does this buyer clean with bleach-based products? Prefer a lavender scent?

Amazon was among the first to apply knowledge gleaned from historic purchases to product suggestions, which is not unlike what swipe apps do. Retailers that use past purchases to predict current product interests demonstrate to shoppers that they are understood and valued.

4. Offer Enhanced Experiences. Known for excellent client service, Nordstrom offers a personal touch to online purchases with a texting app that allows shoppers who opt-in to receive messages from in-store sales associates. Shoppers can purchase suggested items immediately through the text app without re-entering credit-card information. This hybrid of personal service and always-open online stores means the retailer can meet the shopper's need for the simplicity of swipe with the expectation of service in a particular category.

The importance of offering buyers an enhanced product experience is not limited to big-ticket, high-involvement categories. Pizza Hut is testing a pizza promotion delivered in a box that converts into a movie projector for any smartphone, including movie option codes on the box. Just scan a code to your phone, make some very minor conversions to the box, insert your smartphone, and voilà: swipe right

for the transformation of a humble pizza box to an entertainment experience!

5. Improve Shopping by Improving Life. Retailers tend to focus on integration in the context of the shopping experience, but savvy retailers look beyond those opportunities to offer enhancements to improve their shoppers' lives. Addressing consumer needs in the larger context means retailers must consider where and when orders are delivered. Returning home to a 'failed delivery' notice because someone wasn't around to accept a package negates a retailer's very best efforts.

Amazon, in partnership with DHL and Audi, has a test program where a package can be delivered to the trunk of the buyer's car—wherever that car may be. Combining technology and pre-approval of the recipient, DHL tracks the location of the buyer's Audi and is able to open the trunk with a single-use security code. Recipients are notified via smartphone when the package has been delivered to their car, ready for any destination the buyer fancies.

Similar thinking is applied by several Canadian businesses that have partnered with HotSpot, a mobile-parking payment app. Since parking costs can be a deterrent to shopping at certain locations, retailers assuming responsibility for payment encourage and enhance a shopping experience. Restaurants can add complimentary parking time to the meter if their diners stay to enjoy coffee and dessert, completely eliminating the catastrophe of ending a beautiful dinner with a \$50 ticket.

WINNING

Shopper tolerance for complexity is low and the desire for and expectations of integrated buying experiences are high. Most customers recognize that achieving seamless integration is not easy for retailers. But they are mentally overtaxed and looking for solutions that improve and simplify their lives—whether through billions of dollars of investment or smart partnerships—and they will shop with the retailers that demonstrate they understand them best.

Swipe right if you agree. ■



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