Applied
Marketing

Mobile apps are adding a new dimension to food retailing.

By Bob Ingram

BEST PRICE — PREMIUM QUALITY PRODUCT — SATISFACTION GUARANTEED

Best OFFER

Highest Quality

Best OFFER

30% OFF

10% OFF

20% OFF

> "Location-based marketing will become a larger part of mobile for retail food companies, in addition to expanded use of the mobile wallet experience."
>
> **—Mike FitzGibbon, 3Cinteractive**

"T he grocery industry is at the beginning of a digital revolution," says Rebecca Roose, senior product marketing manager at MyWebGrocer, in Winooski, Vt. "Mobile will play a major role in this shift, and it will very much be ushered in by Millennials who are aging into the mainstream buying public. They crave personal, relevant connections, and mobile technology is what will facilitate this level of personalization."

MyWebGrocer manages digital solutions for more than 130 retailers worldwide, representing more than 10,000 stores and 500-plus major CPG brands. It powers mobile sites and apps, providing tools that integrate across all of a grocer's digital platforms, encouraging online sales or driving customers into brick-and-mortar stores.

Roose notes that more than 40 percent of a grocer's web traffic comes from mobile devices, and, citing Google, points out that when consumers go to a website that isn't mobile-optimized, 61 percent will leave and go to a competitor. Also, consumers who use mobile to plan shopping trips spend 107 percent more than shoppers who don't use digital tools, and those who use mobile to shop online place more orders than those who use desktop only to shop.

'Engagement is the Key'

At 3Cinteractive, in Boca Raton, Fla., President Mike FitzGibbon observes that, according to a recent article in the *Harvard Business Review*, mobile consumers spend roughly 82 percent of their mobile minutes with apps, and just 18 percent with web browsers.

"Brands are leveraging mobile apps for everything from promotions and item information to loyalty programs and geo-targeted discounts," he says. "Engagement is the key, though."

FitzGibbon cites industry stats showing that consumers opt out of push notifications 50 percent of the time, but 90 percent of SMS (short-message service, or text) messages are opened within minutes, since consumers are so familiar with that form of communication.

"Additionally," he concludes, "location-based marketing will become a larger part of mobile for retail food companies, in addition to expanded

use of the mobile wallet experience."

In Richardson, Texas, Blue Calypso Director of Sales Jeff Spock asserts: "We believe that retailers are coming to the realization that consumers do not want to have a mobile app for every store they shop, as adoption rates are typically not high. In fact, Nielsen reports that the average consumer uses a total of 26 apps a month."

He believes that this leaves "only a handful of space for retail-specific apps," and that retailers should adopt a universal app that results in greater per-visit sales, higher store traffic, more engaged shoppers and, ultimately, greater profitability.

According to Spock, by becoming part of a universal app, which molds to the retailer's specific look and feel once the customer walks through the door, retailers can still offer the same benefits to consumers through a trusted platform and be equally successful in the mobile app game, without the recurring costs of operation and maintenance of their own app.

Using its patented cloud-based platform, Blue Calypso's apps — Mobile ADvantage and KIOSentrix — offer in-store coupons, savings features, and additional tools such as price comparisons, he notes.

Spock adds that Blue Calypso's KIOSentrix app acts as a "personal mobile concierge" and an engagement tool for brands, retailers and their customers by connecting users to key features and promotions.

Third Parties

Rich Donahue, marketing VP at Denver-based Ibotta, says that the company's free app pays consumers cash when they make purchases at stores such as Target, Walmart, Kroger, Best Buy and Macy's.

He notes that a recent Localytics report shows that 76 percent of users abandon single-retailer apps within the first 30 days, and that this has resulted in an opportunity for a new, third-party app like Ibotta.

"Because these apps work everywhere, they reach consumers who otherwise wouldn't download the retailer's app," Donahue explains. "Ibotta is building this one-stop shop for consumers to earn cash back when they shop, and for retailers to receive incremental exposure, trips and spending. Plus the brands win, too. The consumer engages with brand content, and is informed and educated, and has a chance to discover new and exciting products.

"The retailers who invest in this transformation and best leverage the growing network of offline affiliate partners like Ibotta, who are focused on driving in-store sales, will win," he adds.

In Sunnyvale, Calif., Mark Schulze, who leads First Data's Clover App Market, says: "The future of leveraging mobile apps for retail marketing is integration with the point-of-sale system. Retailers will no longer have to leave the helm of their business to go

> ### "
> **The future of leveraging mobile apps for retail marketing is integration with the point-of-sale system. Retailers will no longer have to leave the helm of their business to go into the back room and fire off marketing emails."**
>
> —**Mark Schulze, First Data's Clover App Market**

into the back room and fire off marketing emails."

According to Schulze, the Clover App Market has more than 10 apps that enable retailers to market their businesses from their POS devices. With email, SMS, social and all-in-one marketing apps, retailers using Clover can connect with their customers in a variety of ways. For example, Rocket Responder, from Abreeze Technology, simplifies e-mail marketing, allowing retailers to produce and distribute promotional emails and schedule follow-ups, all while taking orders from customers in-store. Social Media Marketing with BeSocial, from BuyFi, automatically shares content on social channels, leverages social media analytics to improve online reputation, and uses Facebook to attract and convert new customers.

Clover Station, Clover Mobile and Clover Mini all come with access to the Clover App Market, which has more than 100 apps for all facets of running and growing a business, notes Schulze, who says, "Clover is either a smart-payment terminal or a full point of sale, capable of securely accepting virtually all types of payments."

Bruce Nagle, CEO and founder of Danville, Calif.-based RW3 Technologies Inc., observes that at his company, "we see a direct correlation between today's shopper and field reps. Many of the technologies being used and data points collected can benefit both parties."

He continues that suppliers and brokers use RW3's applications to improve on-shelf availability, monitor trade compliance and streamline communication to the field. As retailers begin to enhance their in-store technology and capabilities, RW3's in-store application will allow CPG field sales teams to employ similar technology to improve their workflow and help grocers deliver a complete omnichannel shopping experience.

"For example," Nagle explains, "third-party beacons could help enhance a CPG field rep's impact at the shelf and help guide them to areas of opportunity as they are passing through the store." **PG**