

'WE KNOW MODERN SHOPPERS'

Study Tracks Unrealized Potential of Mobile

Shoppers want help in decision-making, but brands and retailers don't fully understand them

By Ed Finkel

Mobile apps and other new technologies clearly have the potential to improve the in-store experience and better satisfy shoppers, but brands and retailers aren't taking full advantage of the ability to gather information on those shoppers and translate that to meaningful, long-lasting connections. That's a major takeaway from a study by brand experience agency **Momentum Worldwide** and its shopper marketing design consultancy, **ChaseDesign**.

Titled "We Know Modern Shoppers," the study found that 93% of shoppers believe new technologies have the potential to improve their in-store experience, and three-fourths of those surveyed said they would be more likely to shop a brand or retailer that offered them.

The study also revealed that 85% of those surveyed see cost and time savings as the most likely benefit of new shopper technologies, while 60% want to leverage mobile and other new channels to help them identify the product they want to buy, 52% believe this could help them maximize the product's usefulness to them, and 43% want intelligence on what others are buying.

"We are still hearing from shoppers that they want help in decision-making," says Laura Moser, senior vice president and shopper marketing practice lead at Momentum Worldwide. Brand and retail clients of Momentum thought they were providing that help already, she says, but apparently not. "What shoppers were telling us is that gap is reflected more in you [brands and retailers] not really understanding me than it is in telling me what my options are," Moser says.

Shoppers realize the data being collected on them is being used to market to them, but it's often done in narrow, tactical fashion, Moser says. "You are not doing a good job in understanding Laura Moser – the mid-40s, single, female dog owner who travels a lot for business – and pro-

viding solutions for me," she says. "Instead, you're serving up what I looked at for 45 minutes last week. I'm going to see that trundle bed served up in my Facebook and Amazon until I die."

Instead of trying to drive purchase based on such specific data, brands and retailers should be trying "more emotive ways that leverage the love I have for your brand, and that's about a way I interact with your brand that's more than just spending money," she says. "When you're trying to engage me and reward me with your brand, there are ways to do that moving from the functional to the emotional."

Leveraging Mobile

Mobile technology can be key to delivering these meaningful experiences, but only if brands and retailers are properly engaging digital devices, Moser says. Ninety-three percent of shoppers have used mobile apps, 88% say it improves the shopper experience and 74% use them regularly. Apps that compare prices hold the widest appeal (81%), followed by general promotions and deals (79%), product information (63%) and self-checkout (62%).

"Physical retail is becoming an accessory to the mobile device," Moser says. "Physical retail is struggling to keep up with connectivity. Having a bunch of people walking around your store with their phone is shortchanging them of the reason they came to physical retail in the first place."

Results show that 53% of shoppers use mobile apps to research deals before entering the store but only 14% continue to use them while in-store, and they are most desirous of such technologies in grocery stores – 76% indicated that, compared to 49% for department stores and 46% for

mass merchandisers.

To gain greater relevance, brands and retailers must get beyond simply thinking of mobile as a "cool technology" to thinking about how the phone could work as an "assistant to the sales associates," Moser says. "Shoppers are clear that they're in retail because they want elevated experiences with retailers. They also want to have autonomy."



Given that mindset, brands and retailers need to consider how mobile devices could be used as a primer before shoppers engage with an associate, or for follow-up information afterward – or when shoppers choose not to engage at all. "Shoppers aren't necessarily saying, 'I don't want you to be all over me,'" she says. Instead they're saying, "I want the option to navigate on my own, or that there is a sales associate who can pull up my [shopper] profile" and lend assistance.

The study also tracked next-generation technologies, which more than half of shoppers said they would be generally interested in using; 70% were specifically drawn toward active displays, 54% in-store beacons and 53% active mirrors.

What shoppers want from technology

Identify the right product to buy	60%
Show how to maximize product use	52%
Provide more info on what others buy	43%

91% of shoppers are willing to share their email address to receive a bargain, despite concerns about ...

Hacking and personal information leaks	85%
Fraud/identity theft	74%
Passing on of personal information	69%

The top benefits received from current shopper technology

Cost savings	87%
Time savings	84%
Deals and promotions	72%

Source: Momentum Worldwide and ChaseDesign's 2016 "We Know Modern Shoppers" Study

International Comparisons

Momentum and ChaseDesign's study tracked differences among how shoppers in the U.S. and a few other countries wanted to experience the retail store and the connections possible through mobile technology, which is used by more than 70% of respondents worldwide. The main take-away: "The desire for modern shopper technologies seems to be better articulated in less developed markets than in more developed markets," Moser says.

Japan, for example, experienced rapid penetration of technologies like mobile, Wi-Fi and broadband, which set expectations and tamped down the hunger for better solutions, she says. "We were very quick to cut and paste what we did into tools and replicate it and replicate it. Japan has been conditioned that way."

In Brazil, by contrast, mobile technology has been a more recent phenomenon and plays a more important connective role, which has translated into shoppers – as well as retailers and brands – seeing wider, more forward-thinking possibilities for it, Moser says. The U.S., as well as Spain and the United Kingdom, sit somewhere in between those two poles.

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Laura Moser, senior vice president and shopper marketing practice lead, Momentum Worldwide



The study showed 92% of Brazilians use technology to improve the quality of their shopping experience, compared with only 42% of Japanese. Three-fourths of both Spanish and U.S. shoppers said they would be more likely to shop a brand or retailer that made active use of such shopping technology, while 71% of UK shoppers said the same.

"We expected it to be Japan that would be a market where they would be saying, 'Faster, more, smarter,' " but that hypothesis did not hold in the research, Moser says. "If I were a global retailer, I would be looking to put my test-and-learn in markets like Brazil because my expectation is that the adoption rate would have much more incrementality in Japan."

Momentum and ChaseDesign surveyed 3,074 active shoppers in the UK, Spain, Japan, Brazil and the U.S. All were 18 or older and self-identified as smartphone owners who engage in digital shopping and have used devices to interact with product or retail brands.

