

Transforming Mobile Searches Into Sales: The Hype Around Beacon Technology [Webinar]

Beacons are all the rage, and it's no wonder: they're expected to drive an astonishing [\\$44 billion in retail sales in 2016](#), up \$4 billion from this year. Already in 2015, 46% of retailers have launched beacon programs, up from [15% just last year](#).

And yet without a comprehensive offline-to-online strategy in place, a beacon is just another piece of plastic.

Last week, Warren Raisch from Rio SEO and the Local Search Association's Greg Sterling participated in a webinar hosted by Digital Marketing Depot (DMD) to share with marketers the latest insights and tactics enterprise brands are using to unleash the power of beacons. DMD's Chris McDonagh moderated the one-hour deep dive into:

- Why Mobile Matters
- Navigating the Local Mobile Path to Purchase
- A Beacon Without a Strategy is Just a Piece of Plastic
- Exploring Beacon Alternatives
- Beyond Beacons: Targeting Consumers from Search to Sale™

How can retailers position themselves to meet consumer needs both in-store and online with a holistic beacon strategy? Here are the highlights and key takeaways from the Transforming Mobile Searches Into Sales webinar:

Why Mobile Matters

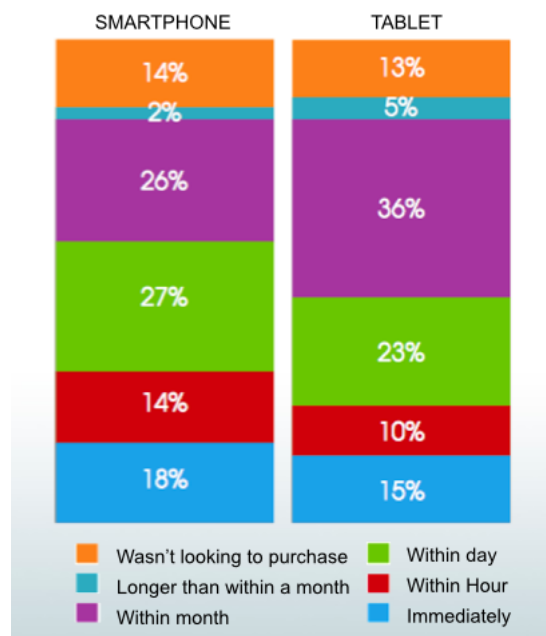
Earlier this year, we learned that mobile search had surpassed desktop in many established markets, including the U.S. and Japan. Mobile searchers tend to have high commercial intent, with 50% of local searches leading mobile searchers to visit a store within just one day.

The needs of smartphone users often revolve around location, with one-quarter of smartphone users looking for information considering proximity of the retail business the most important factor. Further, half of those smartphone users expect the businesses in their search results to be within 5 miles of their physical location.

COMPARED TO TABLET USERS, SMARTPHONE USERS ARE...

- **130%** more likely to be in search of direction
- **43%** more likely to be in search of a specific retail location
- **25%** more likely to be in search of contact information such as a phone number

These mobile users aren't just lookers -- more than half of mobile activity leads to a purchase. MMA research cited in the webinar shows that over 30% of smartphone users and 25% of tablet users want to make a purchase **within the hour**:

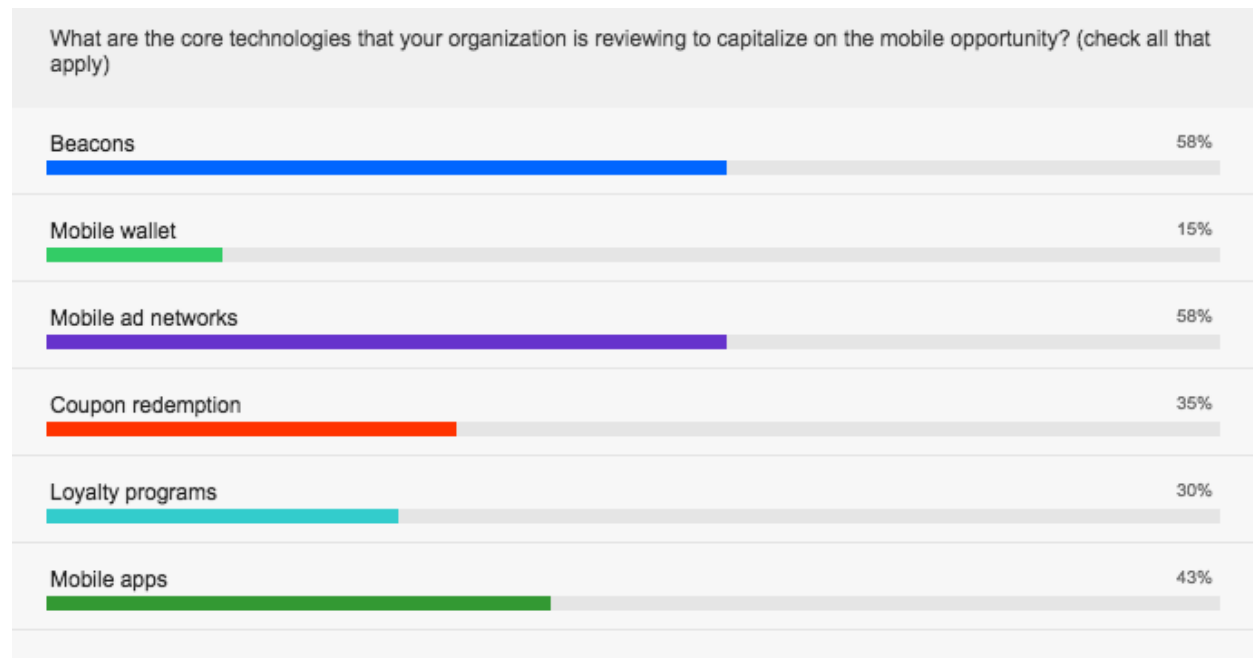


Smartphone users are highly motivated to convert offline... in fact, 77% of their conversions will happen in person, in-store.

With this understanding of the present day mobile opportunity, retailers can begin to craft a mobile strategy that extends that mobile experience, to:

- Mobile ad networks
- Apps
- Beacons
- Mobile wallets
- Offline-to-online connections through redemption strategies
- Loyalty programs

We asked participants in the webinar which core technologies their organizations are currently reviewing to capitalize on the mobile opportunity. Not surprisingly, over half are already using beacons:



Mobile opportunity takeaways:

- Mobile represents a significant portion of online retail shopping. Online and brick and mortar retailers must understand how to integrate this fast growing media into their media plans.
- Smartphone and tablet users have very different needs and intent. By taking into consideration user need by device (location for smartphone users and pricing and deals for tablet users) marketers can effectively reach their mobile audiences.
- Although the phenomenon of in-store “mobile showrooming” doesn’t appear to have broad usage among the general mobile user – online comparison shopping should be taken into consideration when trying to reach and impact consumer purchase decisions

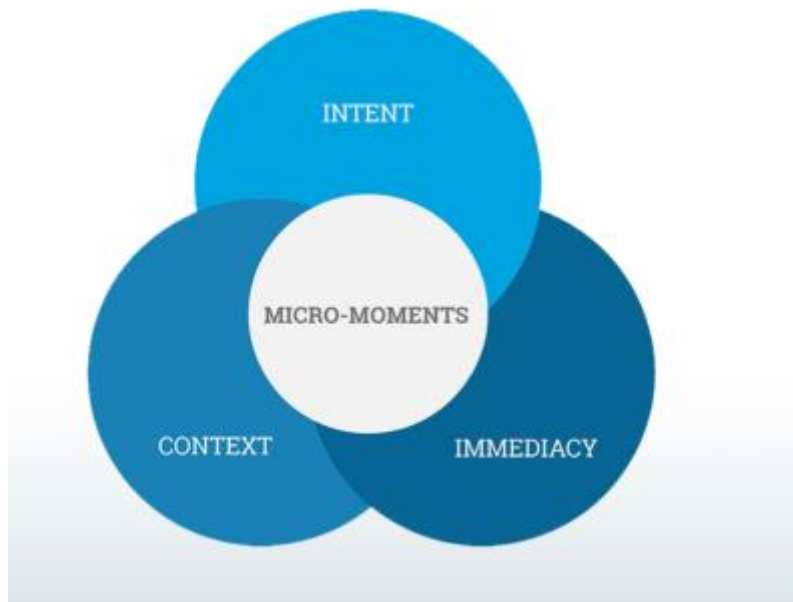
Navigating the Local Mobile Path to Purchase



The mobile path to purchase isn't as linear as desktop. There are hundreds of devices, channels and touchpoints that may lead a consumer to your store, open to location-based messaging. It's mission critical for retailers to tap into their customers' I-want-to-know, I-want-to-go, I-want-to-do, I-want-to-buy mobile moments.

76% of consumers interact with brands or products before they ever set foot in a store, and have already begun their decision-making process. One in three shoppers spend more when digital research is part of their decision-making process, and subsequently 80% of local searches on a mobile device convert to purchases.

These micro-moments, [Google says](#), are critical touch points within the consumer journey, and when added together, determine how that journey ends.



To win in these moments, look at what these micro-moments look like for your business and what's happening or not happening in them today. Ask yourself:

- Do these micro-moments match consumers intent and context in the moment?
- Are they optimized for the screen in hand?
- Is there a direct path toward desired outcomes?

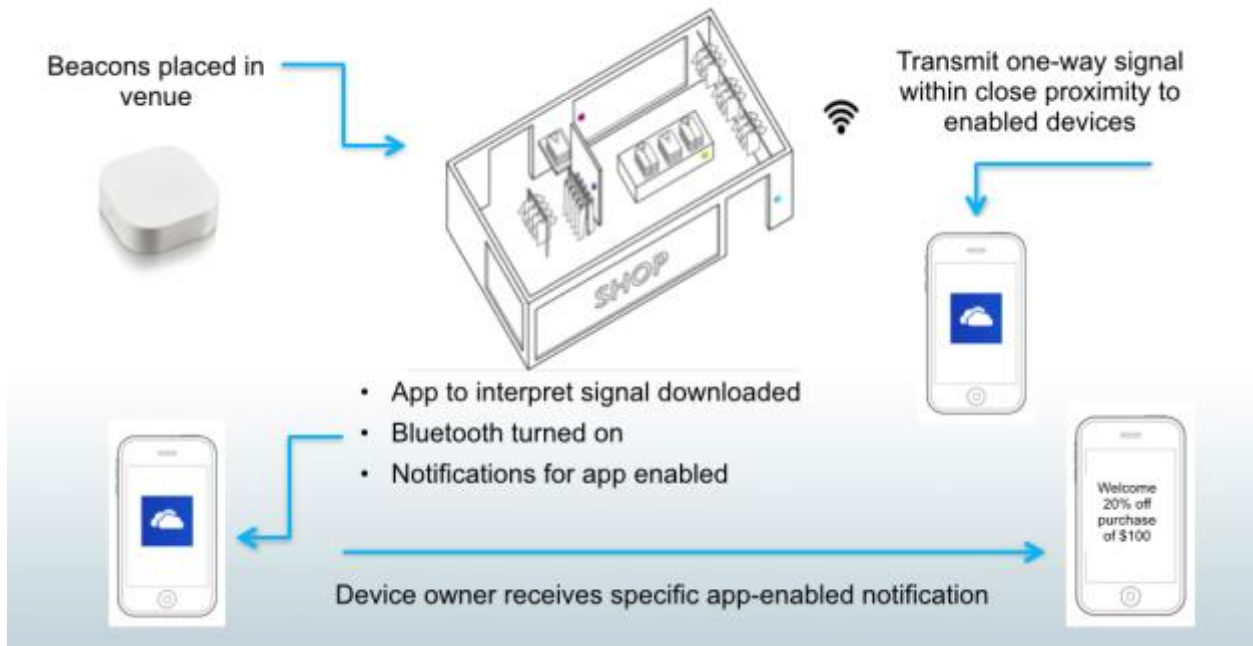
A Beacon Without a Strategy is Just a Piece of Plastic

So why the hype around beacons? Right now, 71% of organizations with three years or more experience driving mobile strategy plan to deploy beacons to enable location context within the next year.

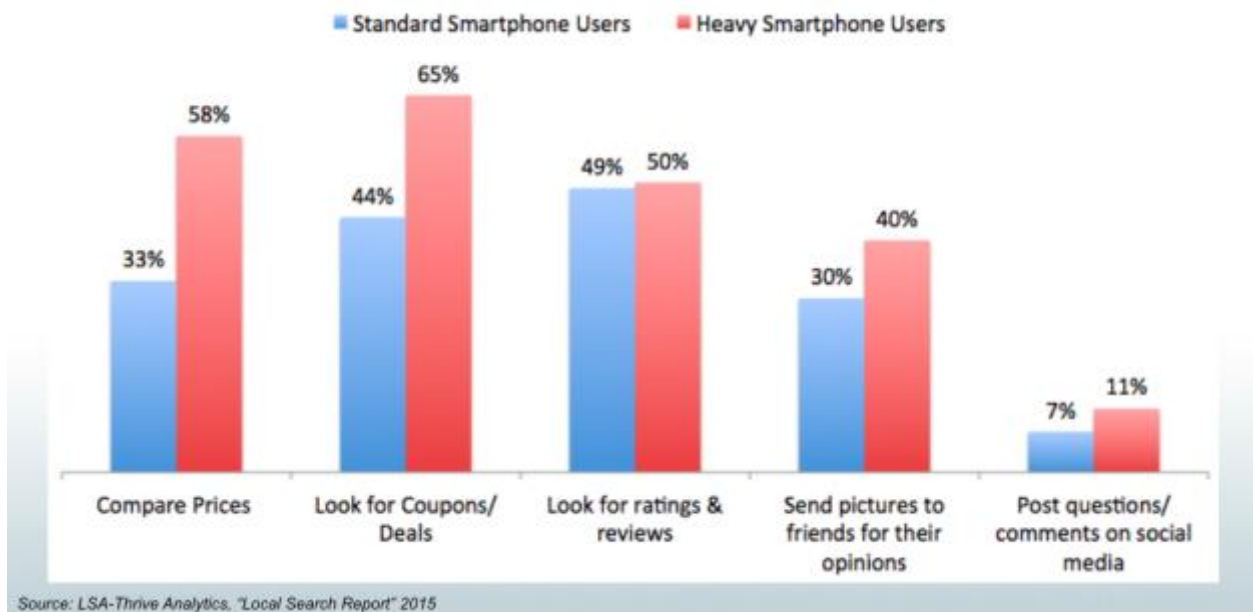
However, only 23% of consumers are interested in sharing their location information with retailers, largely due to [privacy concerns](#).

As Raisch reiterated throughout the webinar, a beacon without a strategy is still just a piece of plastic.

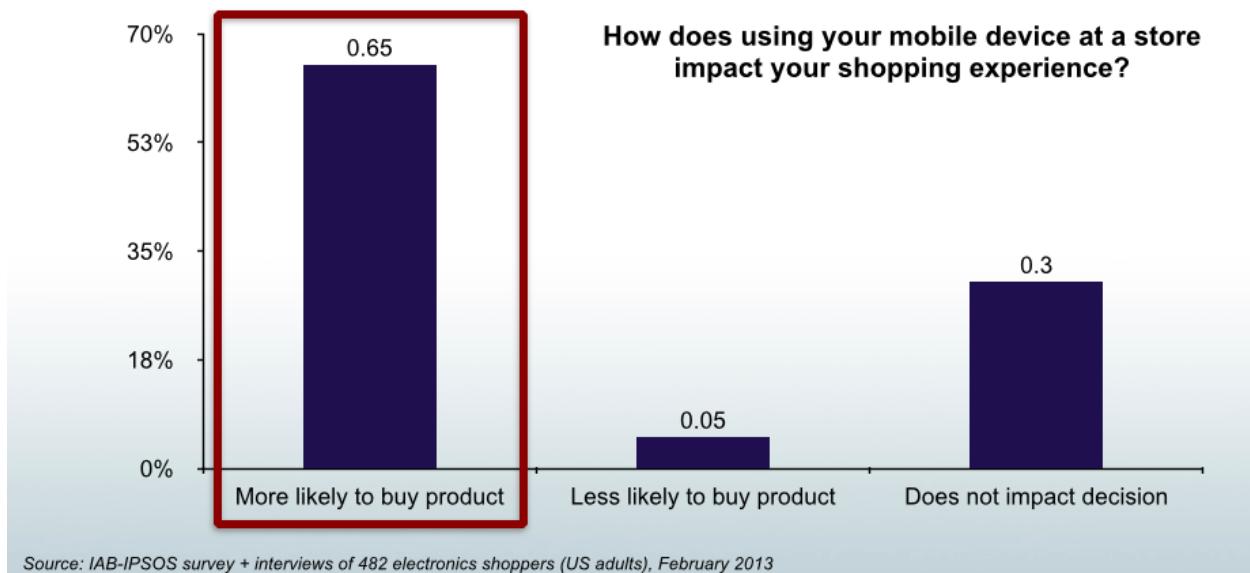
Right now, beacons are perceived as a commodity. There are dozens of beacon makers offering them at around \$30 (or less) apiece. Quite a few things need to happen for a beacon to be effective in reaching a consumer:



Sixty to eighty-five percent of consumers are using their smartphones in-store, although how they're using them depends on whether they're typical or heavy users:



This in-store activity has a substantial impact on a consumer's decision to buy. In a study conducted by the IAB, we learned that $\frac{2}{3}$ of shoppers using a mobile device in-store are more likely to buy the product:



Companies and organizations realize the value of communicating with consumers while they're within a certain range of their locations. Everyone from retailers to hotels, airports, stadiums, museums, conference venues and more are now employing beacons as part of their mobile local strategy.

But beacon strategy is still a work in progress, for a number of reasons:

- **Beacon Friction.** Before a beacon can communicate with a consumer, they must have an app capable of receiving the beacon signal; location must be enabled for the app; bluetooth must be turned on; and notifications must be turned on for the relevant app.
- **Users Want Control Over Location.** 70% of users told Pew Research it's somewhat to very important that they retain control over their location information.
- **Location Sharing Challenges.** Outside of privacy concerns and the conscientious decision not to share location information, beacon advertisers are also up against other factors that compel consumers to turn off location sharing, including avoiding battery drain and a desire to avoid irrelevant advertising.

For these reasons, advertisers need to **get creative in motivating consumers to share their location.**

Fifty percent of female consumers, for example, will share their location in exchange for offers and relevant content. As with online conversions, it's a matter of finding the value offering that appeals to consumers and make location a reasonable ask. For example, a recent OpinionLab survey of over 1,000 US adults reveals that consumers are motivated to participate in retail tracking by:

- Price discounts (61%)
- Free products (53%)
- Chance to win a big prize (28%)

- Better overall shopping experience (24%)
- Unlock new experiences/awards while shopping (23%)
- Personalized attention from store associates (12%)

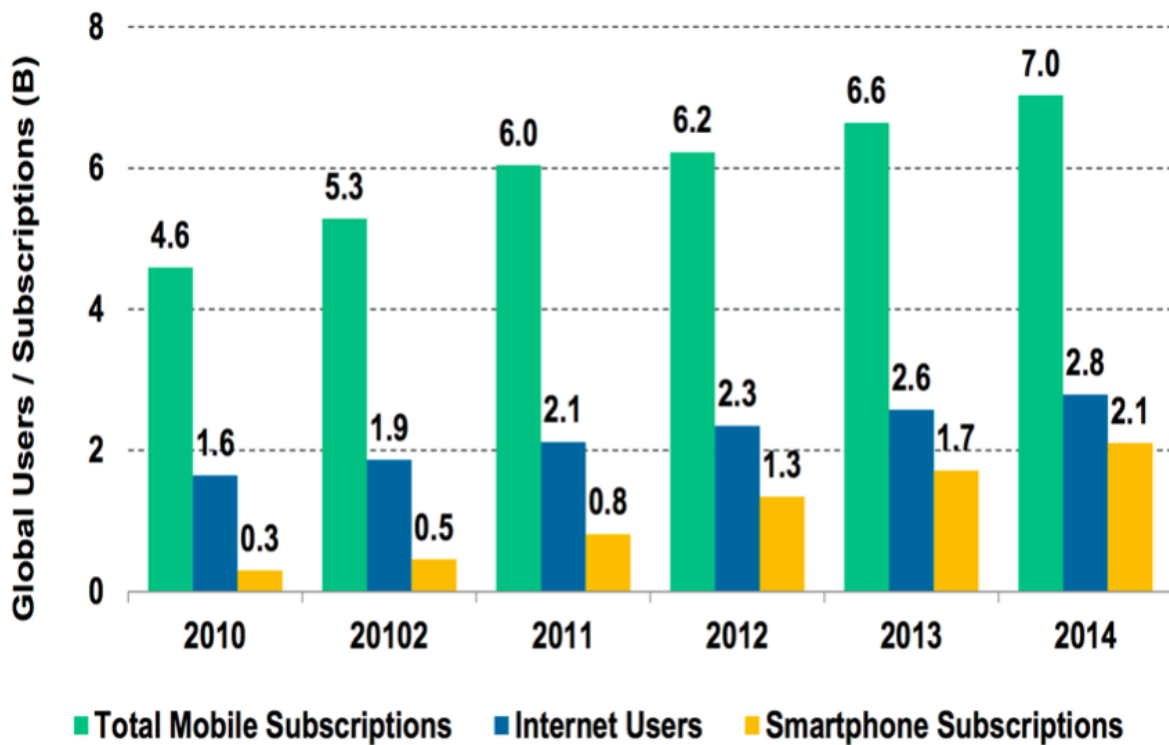
Another important aspect of smart beacon strategy is to understand that beacons are just one indoor location technology. Others include IP-connected cameras, WiFi, magnetic positioning, LED lighting, acoustics and more.

Exploring Beacon Alternatives

Mobile is fast becoming not only the way we research items to buy, but the method by which we make purchases, as well. As Tim Cook, Apple's CEO, famously said, "The vision is to replace the wallet." Indeed, 50% of shoppers have approached a checkout with coupons on the screen of their mobile device.

Mobile wallets are the next big channel, driving an increased mobile footprint, personalized relevance, and locked-in loyalty, all while acting as a cross-channel connector. In the near future, our mobile wallets might house everything from coupons and offers, to credit cards and loyalty cards, to event tickets, membership cards, our drivers' licenses and more.

As smartphone adoption increases worldwide at a rate of 23% YoY, smartphone subscription continues to see strong growth.



In order to reach more of their mobile target audience, advertisers are having to **move beyond the app**, ensuring that their mobile messaging is:

- **Relevant** - personalized and location-aware
- **Convenient** - offering consumers a place to store all coupons, cards and event passes in one easily accessible place
- **Persistent and timely**

A successful mobile local strategy requires that advertisers are able to bridge the gap between online-and-offline, converting online searches to in-store foot traffic, but then also connecting to apps, integrating the mobile wallet, and offering immersive local experiences.

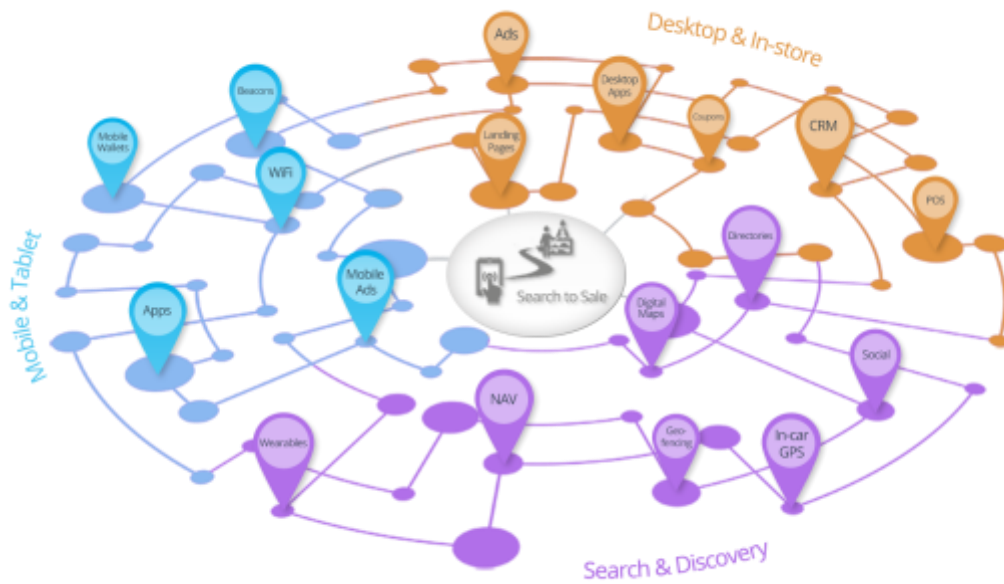
As the cross-channel connector, mobile wallets offer convenient, ubiquitous distribution across email, SMS, social, webpages, mobile pages, banner ads, QR codes and APIs.



The end goal, of course, is to better track and measure; to be visible in the near-me mobile moments where consumers have a defined need and are highly motivated to convert. However, the goal is also to **create the next moment**, with search-optimized local landing pages that accelerate the path from search to service for customers who are searching and considering a purchase.

Beyond Beacons: Targeting Consumers from Search to Sale™

Today, savvy advertisers are moving beyond the beacon hype as a standalone tactic -- beyond the web experience and in-store marketing as silos with separate or even competitive goals. In order to bridge online-to-offline conversion, advertisers must take into account consumer context, relevance and intent with rich and actionable data across a sales cycle and funnel that look nothing like they did even five years ago.



The holistic, all-encompassing Search to Sale™ approach offered with Rio SEO's Open Local Platform serves as a central point for the collection, optimization and distribution of local business information across search, social and mobile. Businesses also glean valuable insight into how each channel contributes from search to sale -- from search to engagement to conversion.

Integration is seamless; there's no need to reinvent the wheel. Search to Sale™ encompasses your multi-location brands by incorporating:

- digital presence from optimized store locators and landing pages for desktop and mobile;
- rich sharing analytics to discover your brand's greatest content influencers—those that drive conversions and spread your brand message;
- up-to-date and accurate local business data, from our platform to your mobile app through an API integration;
- online to offline measurement through our partnership with Verve, which closes the loop on how searches convert to sales and in-store traffic;
- cross-channel insight, with direct integration between your SEO, social, and CRM systems in a single dashboard.

Getting started with Rio SEO's Open Local Platform is simple. Tracking from web analytics platforms can now be merged and measured against offline consumer activity from open source and deployed initiatives in a dashboard available to a brand marketing team or agency. With the simple injection of tracking codes, web visitors can now be correlated to mobile and desktop users via device IDs through purchase and beacon interaction.

Contact Rio SEO today for a [free Search to Sale™ demo](#) and see what bridging the gap from online-to-offline can do for your ROI.

View the webinar here: https://www.youtube.com/watch?v=alCQ1agl_Ts

View the slides here: <http://www.slideshare.net/RioSEO/rio-seo-webinar-transforming-mobile-searches-into-sales-the-hype-around-beacon-technology>