

The future is personalised engagement

By  [Danette Breitenbach](#)

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Given the pervasiveness of mobiles in South Africa, one would expect it to influence the retail sector greatly. However this is not the case says Jesse Green of Perk, a company that works with retailers to engage shoppers on their mobiles while in-store.



Malls tend to have apps but these are really only used for navigation - but there is so much more that they can do. (Image: Wikimedia Commons)

According to Green, mobiles have not yet influenced the retail environment the way they have in countries such as the United States, where mobile technology has given retailers many headaches. "For example, showrooming, where retailers become showrooms; i.e. a consumer sees a product in-store, scans it and then finds the same product online for cheaper and purchases it. In South Africa showrooming has not yet become a big concern for retailers," he says.

Another reason why mobile is not being utilised in this environment is the low penetration of smart phones locally. "Some companies don't even consider Blackberry as a smart phone."

The app issue

The next concern is that South Africans are not great app downloaders. "Blackberry users in particular tend not to download apps. However, even if we do download the apps, we do not always use them."

The other side of the app coin is that many retailers do not have one. "Malls tend to have apps but these are really only used for navigation. We have seen a surge in apps from retail brands towards the end of last year."

Why is the app issue so important? Green explains that it is through an app that the retailer can engage with their customer in-store. And this is the future. "The retailer's app can open automatically when the customer enters the store. For example,

it will let the customer know of specials in the store." While this is not personalised, this, says Green will be the next step. "The retailer knows things about the customer and can therefore address him/her personally. This will hit the two holy grails for retailers: more footfall more often, for longer and larger basket sizes."

Possibilities

There are so many possibilities, says Green. "Think loyalty cards. The customer enters the store and earns loyalty points just for walking in! So far local retailers might have been good at establishing large numbers for their loyalty cards, but they have not taken this a step further to engage with these customers," he says.

If you doubt this is the future then have a look at the Shopkick app in the US. The most used shopping app in the States, Shopkick shows customers the best and most popular products at a number of US stores such as Target, Macy's, Best Buy, Old Navy, American Eagle, JCPenney, Sports Authority and Crate & Barrel and it then rewards them with loyalty points for walking in the door, scanning items and making purchases. Points are redeemed for gift cards at the customer's choice of store.

While this technology has not yet been utilised in South Africa, Green says it will be very soon and that Perk has been completing trials on the same principle. "The whole point is to be able to engage the customer as this means they will spend longer in the store and buy more," he says. "Right person, right place, right time."

ABOUT DANETTE BREITENBACH

Danette Breitenbach is a marketing & media editor at Bizcommunity.com. Previously she freelanced in the marketing and media sector, including for Bizcommunity. She was editor and publisher of AdVantage, the publication that served the marketing, media and advertising industry in southern Africa. She has worked extensively in print media, mainly B2B. She has a Masters in Financial Journalism from Wits.

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