

# LBS integrating into mobile

With widespread smartphone ownership, Location Based Services (LBS) have grown up and have been integrated into mobile applications, but customers have to give their permission to receive messages.

Beacons are now used to send these messages directly to customers, at the right time and most importantly in the right place. Beacons are a low cost piece of hardware, which can be attached to a wall or countertop and utilise a low energy Bluetooth connection to transmit messages or prompts directly to a smartphone or tablet. They are set to transform how retailers, event organisers, travel operators and businesses in general communicate with potential customers indoors.



To receive a message via a Beacon, customers go through three stages - they must have Bluetooth switched on, they must accept location services on the relevant app and they must opt in to receive in store or indoor notifications.

Used at airports, Beacons have the potential to keep passengers informed about flight delays. In shopping centres, customers can be attracted in store by a special offer. Given that half of adult shoppers already use their mobile phone when shopping as part of a 'showrooming' phenomenon; perhaps Beacon messages could drive them to make the purchase.

Then there is the Apple iBeacon, which is built into its devices and iOS7 mobile operating system. Third parties must have built Beacons that can send iBeacon messages to Apple devices.

## Points to consider before adopting Beacon technology

2014 has seen the adoption of Beacon technology across the US and UK, with many retailers getting on board to test the latest technology. However, there are a number of concerns that should be considered before getting on board...



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- The cost to install equipment for scanning mobile coupons isn't cheap
- How will you store your customers' information so that competitors cannot get their hands on it - remembering that privacy is the top concern of mobile users considering signing up to marketing incentives.
- Keep an eye on PayPal and other companies looking to challenge Apple with their own hardware, which may make it easier and cheaper to install long term
- How are you going to persuade customers to go through the three-step opt in process?
- How exactly will you add value to the in store experience without bombarding your customers with messages?

Undoubtedly, Beacons are an exciting platform for delivering your marketing message, but there is still a long way to go before it is capable of delivering the truly personalised customer experience marketers are expecting. For more information, go to [www.sendmode.co.za](http://www.sendmode.co.za).