Retail finds its new best friend in social media marketing

EVERY ONLINE SHOPPER knows that a single internet purchase will be followed by an uninterrupted stream of offers tailored to their profile and tastes. Once it's got its claws into your digital ID, e-commerce doesn't let go easily.
5 Make a cash purchase in a mall on the other hand, and you leave the retailer none the wiser about who you are, what kind of products you prefer or whether you'll ever set foot in their store again.

Until very recently, offline stores were at a distinct
10 disadvantage when it came to knowing their customers. But just when the retail battle seemed almost lost, app-mania came flying to bricks-and-mortar's rescue. The consumer's love-affair with smartphone apps has not only saved physical retail's bacon, it may even be turning the tables in its favour.
15 Because in-store conversion rates are far higher than the very small percentage of e-commerce hits that actually make a sale, if apps get shoppers through the door, high street stores know they're winning.

So just how is app-mania boosting that all-important
20 foot traffic? Old friends like Facebook and new services like Shopkick and Foursquare provide offline stores with online data on their visitors by encouraging users to check in via their apps as they move around town. Stores and service outlets can track consumer behaviour, recognize returning
25 customers and send them personalized offers. In return, app users can let their friends know exactly where they are and what they're buying. If that seems somehow less than essential, they can also collect points, and win vouchers and prizes.
30 Other new services are taking advantage of smartphone technology and real-world store visits to push individual brands and products. Services like Barcode Hero® and Stickybits™ invite users to compare prices, post product

reviews and win prizes by scanning bar codes in stores.
35 'When we get a pack or a can off the shelf and into the consumer's hands, there's a very strong chance they'll actually purchase that product, enjoy it, and become a regular customer' says a brand manager for a household name in food products.
40 After an initial period of scepticism, the majors have been persuaded to get involved by serious user numbers (Foursquare has over three million). High street retailers like Walgreens, Starbucks™ and Gap® and service providers like American Express® are running app-based campaigns,
45 while major brands like Pepsi, Lipton and Campbells® are also investing in social media. With a potential one billion Facebook users checking in to local businesses through 'Facebook Places', physical retailers can finally compete with e-commerce on equal terms. Savvy shoppers however
50 have already seen loyalty cards, coupons, stamps and air miles come and go: will they be willing to keep checking in to venues and scanning bar codes? The results of new marketing concepts borrowed from digital gaming suggest they will.
55 One of the strongest motivators in social media is status and identity: collecting points to obtain virtual titles like 'duchess of books' or 'queen of lipstick' combines the powerfully addictive experiences of social media, interactive competition and shopping, allowing high street names and
60 big brands to hook users into a self-perpetuating race to connect to others and affirm their individual identity. Like it or not, virtual browsing and real world shopping are converging; in social media marketing, retail has found its new best friend.

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