

'COMBINING ONLINE DATA AND SALES EXPERTISE' THANKS TO THE SMARTPHONE, THE ONLINE AND OFFLINE WORLDS ARE CONVERGING TO A GREATER EXTENT. TO THOMAS LANG, MANAGING DIRECTOR OF E-BUSINESS SPECIALISTS CARPATHIA, THIS IS A WIN-WIN SCENARIO FOR BOTH SIDES.

INTERVIEW BY REGINA HENKEL



➤ **How is mobile commerce transforming the POS?**

Mobile commerce will be playing an extremely important role in the future. Basically,

devices such as smartphones are delivering all the knowledge available on the Web to the store. Just ten years ago the expert knowledge about products and consulting was firmly in the hands of the sales assistant. That has changed and poses a tough challenge to retail businesses. Plus, for the first time, the cell phone allows customers to be identified as they walk into a store.

it is a very good customer. In-store navigation is also conceivable, with the cell phone guiding the customer to the item they just viewed online. Many customers do not want to be approached in the store, so online communication offers a very appealing alternative. This form of personalized service doesn't have to wait until the customer enters the store, it can begin when someone is standing at the display window or next to other advertising space where personalized information is presented. In the end, it is about setting up communication and putting the data collected to meaningful use. We know from Amazon that up to one-third of its revenues are generated via personalized recommendations.

That sounds like stores won't need any sales staff anymore...

Mobile payment is being discussed in the media now. Will we be paying only with mobile technology in the future?

That is presumably the next big step. The new iPhone 6, which has a preinstalled payment tool, could help it become a breakthrough technology. Android smartphones have long had this technology, but so far Apple was reticent to include it. Now it will go mainstream with the help of Apple. This will not involve much of an organizational change for retailers because most terminals already have near-field communication (NFC) built in.

What role will social media play in mobile commerce?

Social media can be a bridge connecting online and physical retail thanks to cell phones. Shopper ratings and recommenda-

tant. That has changed and poses a tough challenge to retail businesses. Plus, for the first time, the cell phone allows customers to be identified as they walk into a store.

How exactly does this identification work?

The customer card is integrated as an app on the cell phone. In order to identify these customers or their cell phones, you need either BLE beacons, which are small Bluetooth-based transmitters distributed throughout the store that interact with the cell phone, or you are detected as a customer when the phone accesses a free WLAN.

So far this detection is only for registered customers, right?

Yes, at the moment, there has to have been a previous relationship.

What can the retailer do with this information?

For example, you can directly measure the success of a newsletter mailing because they indicate whether the customer has read the newsletter. And the retailer can tailor how they respond to individual customers because retailers know the previous purchases made and products they've saved to look at later. The sales assistant can figure out new product recommendations or give a discount because

that up to one-third of its revenues are generated via personalized recommendations.

That sounds like stores won't need any sales staff anymore...

The technical data analysis is, of course, very efficient but the verbal competence of a salesperson is very hard to beat technically. It is more about combining them and making information available to physical retail, which online players have long been using.

How will stores change in terms of visual appearance?

Good question. First trials of putting tablet PCs on a shelf have only been met with a very modest level of customer acceptance. But I still would not say that idea is dead. A "virtual store shelf" of the displayed product showing it in other color options still makes sense because then not all the goods have to be in stock. Tablet PCs can also be used as an intelligent sales advice tool by asking shoppers what activity they need a pair of shoes for. Suitable shoe models are then suggested based on the answer. But when a person has their own cell phone, this can really change things because it's my phone and I have access to the whole Web, can save things, compare products, and in the future pay via cell phone, too.

What role will social media play in mobile commerce?

Social media can be a bridge connecting online and physical retail thanks to cell phones. Shopper ratings and recommendations will become available and products and experiences immediately shared with friends, making them part of the brick-and-mortar buying process. Retailers can get potential shoppers involved by relying on intelligent location-based services about where users are. Whether for offers in one location or more general marketing campaigns, a special discount could be offered to somebody who has been to five branch stores, for example.

Where can you get a good overview about these new e-commerce technologies?

Attending trade fairs and conferences are two good options. Presentations can be particularly helpful because these usually include reports on projects which did not go well and how specific problems are solved. The Internet World in Munich has established itself in German-speaking Europe for this topic and the Internet Retailer Conference + Exhibition (IRCE) in Chicago is also an important trade show on this topic in North America. The Global E-Commerce Summit in Barcelona is also a key event on this topic in Europe.