retail
TouchPoints®

Closing the Gap: Guest Wi-Fi Bridges The
Online/Offline Divide

New survey results reveal a simple opportunity for retailers to
build their digital store

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Shoppers expect Wi-Fi

Guest Wi-Fi has become an essential component of retail strategies, as shoppers increasingly expect to be connected to brands' websites, apps and social channels while shopping in-store.

Industry research confirms Wi-Fi is a must-have for customers:

- More than **90%** of consumers use their mobile phones while shopping in-store[1];

- Nearly **75%** of Americans say always having access to Wi-Fi is important in their daily lives[2];

- More than **66%** of consumers indicate they would be annoyed if they didn't have access to uninterrupted Wi-Fi[3]; and

- **70%** of consumers would be willing to opt into in-store tracking and mobile push notifications if they were properly incentivized by retailers.[4]

In fact, a recent brief from Forrester titled "Best Practices in Deploying a Customer Engagement Network in Retail" stated: *"Wi-Fi will be the backbone in supporting the digital customer experience and operational excellence in the store."*

Retailers should be hyper-focused on optimizing their guest Wi-Fi strategies. But a new survey conducted by *Retail TouchPoints* has revealed that there are significant gaps in retailers' current Wi-Fi offerings and even bigger gaps in how guest Wi-Fi platforms are being used to bridge the digital/store divide.

37% of surveyed retailers do not currently offer guest Wi-Fi inside their stores.

- *Retail TouchPoints* survey: **In-Store Wi-Fi: Are You Keeping Pace With Your Retail Peers?**

The *Retail TouchPoints* survey titled "In-Store Wi-Fi: Are You Keeping Pace With Your Retail Peers?" asked retailers to assess their current and planned capabilities for guest Wi-Fi. More than 100 retail executives took the opportunity to benchmark their guest Wi-Fi progress.

Survey results revealed that while more than 63% of retailers currently offer in-store guest Wi-Fi, most of them aren't using it strategically or to its potential:

- Only **3%** of retailers are using guest Wi-Fi to alert store associates when frequent or returning customers enter the store.
- A mere **5%** use Wi-Fi to grow their email distribution list.
- Just **8%** track shoppers' footpath routes, areas most dwelled at, and how long shoppers spend inside the store.
- **10%** promote special in-store deals using the guest Wi-Fi.

There's definitely an achievement gap that must be overcome.

Find out how you compare to your retail peers in regards to guest Wi-Fi. **In-Store Wi-Fi: Are You Keeping Pace With Your Retail Peers?** **Take the quiz now**

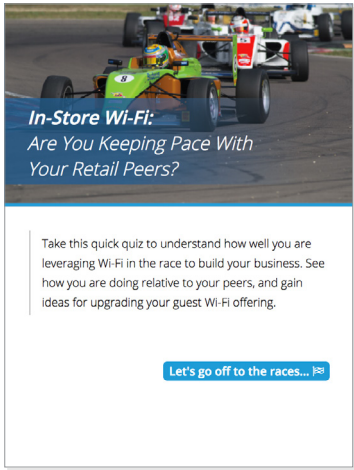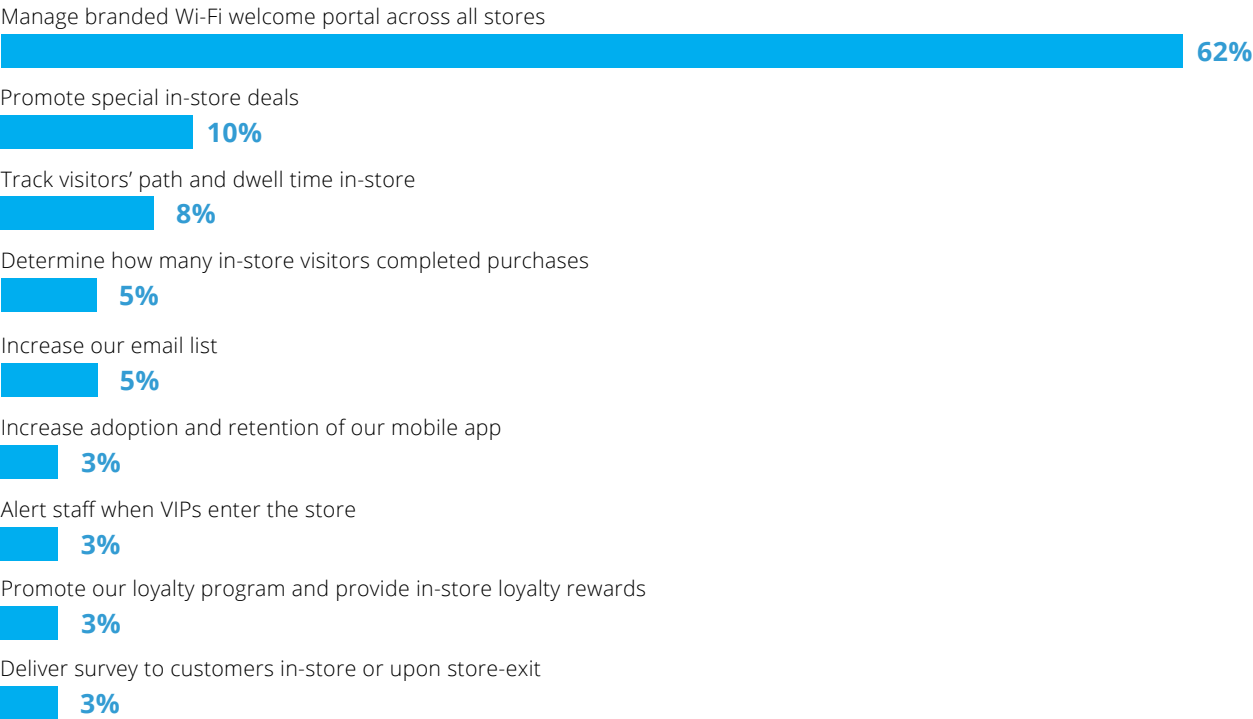

In-Store Wi-Fi:
Are You Keeping Pace With
Your Retail Peers?

Take this quick quiz to understand how well you are leveraging Wi-Fi in the race to build your business. See how you are doing relative to your peers, and gain ideas for upgrading your guest Wi-Fi offering.

Let's go off to the races... ⚐

Fig.1 The Guest Wi-Fi Achievement Gap
(Percentage of retailers offering Guest Wi-Fi)

Manage branded Wi-Fi welcome portal across all stores
62%

Promote special in-store deals
10%

Track visitors' path and dwell time in-store
8%

Determine how many in-store visitors completed purchases
5%

Increase our email list
5%

Increase adoption and retention of our mobile app
3%

Alert staff when VIPs enter the store
3%

Promote our loyalty program and provide in-store loyalty rewards
3%

Deliver survey to customers in-store or upon store-exit
3%

# Welcome customers through a warm digital front door

Today an omnichannel approach to retail is table stakes: Omnichannel shoppers carry a 30% higher lifetime value compared to single-channel shoppers.[5] By gathering customer data and leveraging it effectively through guest Wi-Fi, retailers can achieve two critical high-level goals: **Better engagement with shoppers across channels** and **improved in-store operational efficiencies.**

Industry researchers confirm this: "Wi-Fi has become a great resource to get more product information and for consumers to promote the retailer and their purchases via social media," noted IHL in a recent report. "Overall, 21% said it increased the time the customer stays in the store." Additionally, companies reported an average **2% uptick in sales** as a result of offering guest Wi-Fi.[6]

Most retailers (69%) that offer guest Wi-Fi believe their customers are happy, but there's much more that can be done to provide an even better shopping experience that also gives retailers value in return.

Fig.2 Are Customers Satisfied With Their Guest Wi-Fi Experience?
(percentage of retailers)

Most customers are happy
69%

Most customers are unhappy
3%

Don't know
28%
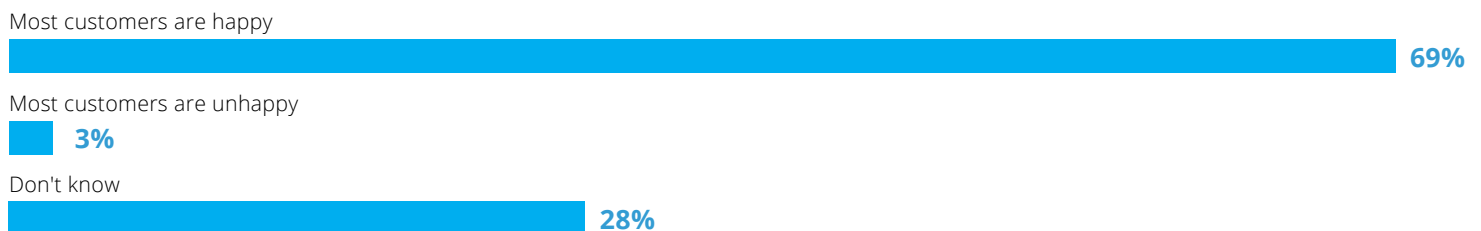
A successful guest Wi-Fi strategy will start at the **front door — both physically and virtually.** One of the most important ways to tap the benefits of Wi-Fi is to create a virtual front door of the store — a place to digitally welcome the customer, and also gain information about shopper demographics and behavior that will lead to a more personalized experience.

Following a simple, one-time guest Wi-Fi sign-in via a mobile device, this "digital front door" can be a welcome portal that offers customized content. Now, as they enter the store, shoppers get a custom, branded experience, but they might also find out if an item they have purchased in the past is almost sold out, or receive suggestions for complementary items based on past purchases.

These capabilities allow retailers to gather shoppers' personal data and mimic the personalized experience shoppers receive online, while providing the touch-and-feel benefits of being in the store.

4 ways guest Wi-Fi can be used to boost business

1. **Improve Customer Engagement Through Mobile Interactions:** For opt-in shoppers, engagement using guest Wi-Fi can trigger **real-time promotional offers and loyalty rewards** via push notifications. These mobile-triggered marketing campaigns improve over time by building on valuable customer insights collected each time they shop. Additionally, retailers can **acquire and retain more satisfied customers** through in-store surveys and social media referrals.

2. **Achieve Better Personalization With More Informed Sales Associates:** A data-rich guest Wi-Fi approach enables sales associates to identify a valued customer and **deliver a personalized** experience. For a high-value loyalty customer, the store employee receives a push notification so he or she can offer a better welcome experience. For other shoppers, the associate receives a notification that helps to improve efficiency for services such as click-and-collect pick-up.

3. **Track Shoppers' Online-To-Offline Behavior:** With the help of data-rich in-store Wi-Fi, retailers can deliver more personalized offers to shoppers who may have started their journey on a PC or mobile device before entering the store. Retailers can select the best time slots for delivering marketing communications that will entice customers into the store and offer one-on-one promotions and messages to the highest-value cross-channel customers when they enter the store.

4. **Improve Store Operations Using Wi-Fi Analytics:** Used effectively, Wi-Fi data can help to optimize merchandise allocation by identifying the areas where footfall and dwell time are highest. Data delivered by the guest Wi-Fi platform also can help **improve store layout and support-staff allocation**. For example, if you know that shopper traffic picks up between 3 pm and 5 pm, with parents and kids after school, you can staff appropriately with the right number of associates who have the most relevant product expertise.

Taking guest Wi-Fi to the next level

The new guest Wi-Fi solutions are cloud-based, and studies show that the cloud is rapidly becoming the best option for a variety of business applications. In a recent IDC report, 58% of organizations surveyed embraced the cloud for more than one or two small applications or workloads — up from 24% 14 months ago.

For the majority of stores that have a Wi-Fi network in place, a cloud-based guest Wi-Fi platform is a simple add-on. This cost-efficient solution can work with all varieties of enterprise Wi-Fi infrastructure, is easy to install, and can be fully operational in just a matter of days. Stores that require Wi-Fi will take time for the infrastructure to be installed, but will be preconfigured for the guest Wi-Fi on day 1.

In all cases, by implementing a cloud-based platform, brick-and-mortar locations can tap the power and flexibility to achieve:

- A digital front door that builds brand recognition and collects customer data;
- Proof-of-concept for marketing initiatives; and
- Rollout of new business strategies with integration of existing CRM, loyalty, DMP, BI, etc.

A new guest Wi-Fi platform can be implemented in a phased approach to serve each retailer's needs and implementation bandwidth. But before choosing a guest Wi-Fi platform, the following questions should be asked and answered effectively by the retailer's IT, marketing and store operations leaders:

Information Technology

- Is this a platform that helps manage our business?
- Does the platform meet our compliance and security requirements?
- Will we own our own data?
- Can this provide a customizable welcome portal that the marketing team needs?
- Can this make onboarding a better experience for the customer?

Marketing

- Does this provide marketing tools to allow testing a broad range of programs before full-scale deployment?
- Will this integrate with our marketing automation tool and help us increase loyalty and engagement?

Store Operations

- Are there basic analytics that can be viewed from the dashboard?
- Will this integrate with BI infrastructure for insights?

Case in Point:
Luxury fashion chain connects guest Wi-Fi to CRM platform

A 500-store, global luxury fashion chain was looking to build a new CRM system as well as develop a new marketing channel for sales associates. Guest Wi-Fi was already a "key component of our in-store digital strategy," noted a company executive.

In addition to providing a new source for CRM data, the guest Wi-Fi platform also serves as a new channel for sales associates.

The retailer selected the Volare™ platform from Cloud4Wi to "address both short-term and long-term strategic plans," the executive explained. The solution also "makes managing a global network, from Hong Kong to Los Angeles, extremely easy since it helps meet local requirements. The platform operates solely in the cloud, so we can use it without installing any local hardware or complicated software."

One of the key benefits of a data-rich guest Wi-Fi platform for the retailer is the value provided to its millennial target audience and Asian tourist customers. The new platform was also easy for store associates to learn, so the onboarding process was quick and seamless.

As a result, shoppers are staying inside stores longer: They are using guest Wi-Fi an average of 1 hour and 20 minutes. Many customers want to get online to share their shopping experiences with friends and family via social channels.

Other retailers are missing the boat if they're not on board with guest Wi-Fi, the retailer explained. "At this point, guest Wi-Fi is an integral part of a brand's identity and digital strategy. Brands have to provide this service that customers consider an essential need in their daily lives. Thanks to guest Wi-Fi, stores can build a new channel that will outperform the traditional web experience."

Preparing for implementation

Traditionally, retailers roll out extensive projects with large budgets. These projects often have an impact across different teams — IT, marketing, operations, etc. — that further complicates decision-making. Guest Wi-Fi is neither costly nor complex, but it does provide cross-functional benefits. It also impacts the customer's entire digital experience.

Forrester warns of the **"ROI Roadblock"** in a recent report: "It's inevitable: Someone will ask you to justify a capital expenditure or operating expense with a calculation of the return on investment. This is fine for smaller efforts — e.g., to compare personalization solution A against personalization solution B. But for your entire digital experience platform effort, ROI is an educated estimate at best. Instead of ROI, you should expect and demand to see a set of business execution milestones that will limit or delay future investments in digital experience delivery."

With guest Wi-Fi as the foundation for digital transformation, retailers are able to move quickly without breaking the bank. Implementation is made easy with the underlying network already in place, and the implication is clear: Just do it.

Overcoming the retail digital divide

While most retailers offer guest Wi-Fi in their stores, they are not taking advantage of the business opportunities offered by these platforms. Just 5% of retailers are building their email list, and only 8% are tracking visitors' path and dwell time in-store.

The facts are indisputable: Shoppers expect true omnichannel experience at every touch point with the brand. And as many as 90% of consumers are using their mobile phones when shopping in-store. By tapping into the data captured by a Wi-Fi sign-on, retailers can deliver the benefits of the touch-and-feel experience of the physical store while providing the personalized interactions customers expect online.

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For more information

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Cloud4Wi offers Volare, the industry's leading services platform for advanced guest Wi-Fi. With Volare, large retail and restaurant chains, transportation hubs and shopping centers build their brands by leveraging their existing Wi-Fi networks to provide superior on-site mobile experiences, while gaining valuable customer insights. Volare is an open, cloud-based platform distributed through channel partners connecting more than 65 million mobile users across 15,000 locations in more than 80 countries. Customers include Armani, Burger King, Bulgari, Clarks Shoes, Olive Garden and Prada. The company is based in San Francisco, and has offices in New York, London, Paris, Milan, Rome, Pisa and Manila.
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