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WAYS MOBILE WILL DISRUPT YOUR BUSINESS



by Tom Shapiro

Imagine you've just completed a hard day's work. Exhausted, you head to the subway station to go home. You realize you're out of groceries and, while waiting for your train to arrive, you dread the necessary time and energy needed to go food shopping. But what if you could complete your week's grocery shopping while standing on the subway platform waiting for your train? No, you don't teleport to the local supermarket. Instead, the market teleports to you.

Wouldn't it be great if you could do your grocery shopping through your smartphone, interacting with virtual store shelves while still in the subway station and have your groceries delivered to your door that same evening? This is not fantasy. This is reality if you shop using Tesco's Homeplus brand in Korea. And it's only a matter of time before this kind of convenience becomes more widespread — in part due to the impact of mobile.

In your business life, enter any conference room and you're sure to

see everyone with a smartphone in hand or sitting on the table in front of them. Walk into any café, store, or airport, and you'll see people using a variety of mobile devices. In fact, more than 320 million mobile subscriptions exist in the US at this moment — more mobile subscriptions than people! Global statistics are even more impressive, with 5.3 billion mobile subscribers across the planet.

Mobile Internet use is expected to overtake the desktop by 2014. That's right — mobile is expected to be used more than desktops for accessing the Internet in just the next couple of years. With this dramatic surge in use, it follows naturally that our lives — professionally and personally — will be greatly impacted. One can expect a great deal of disruption across a spectrum of industries, but you can prepare by paying attention to the following five aspects.

1. MOBILE BUSINESS MODEL

Is your business model safe? If your industry has not yet seen a dramatic shift due to mobile, it's probably just

a matter of time before you experience disruption and will need to rethink your business model.

Sound like an exaggeration? Think about the music industry. Music used to be distributed through CDs at megastores like Virgin and Tower Records. Consumers had to purchase entire albums, regardless of whether they wanted one song or ten. Innovation was limited to CD players playing more than one disk.

Then Apple turned the music industry on its head, launching the iTunes store in April 2003 with legal, easy-to-use, a-la-carte song downloads. In a short period of time, a consumer could browse hundreds of thousands of songs and store purchases on their iPods. By the end of that first year, 25 million songs had already been downloaded. By December 2004, more than 200 million songs had been downloaded — and Tower Records went bankrupt. Virgin left the US market a few years later.

Once the iPhone arrived, consumers began to use their smartphones as their personal music libraries. Today



we cannot imagine a world without endless song selections at our fingertips with easy, immediate, mobile access at any time.

2. MOBILE MARKETING

Marketing involves communicating your message where your audience is — and your audience is now mobile. According to eMarketer, 75.7% of the US population uses mobile phones. Looking at tablets, the iPad is the fastest-selling technology product in history, having sold more than \$2 billion in less than its initial three months of production. More than 250 million people access Facebook through mobile devices. YouTube mobile gets over 400 million video views daily. And half of all Twitter users use Twitter mobile.

If your audience is actively mobile, you need to market to them through mobile channels. At the end of 2010, Google estimated that searches from mobile devices had grown 130% year over year, while mobile search volume increased 500% from May 2008 to May 2010. As well, 70% of smartphone users use their device while in-store shopping and 53% of searchers have made a purchase as

a result of a smartphone search. The proof of user engagement with mobile devices is overpowering, and your marketing needs to evolve accordingly.

eMarketer expects mobile advertising spend to top \$1 billion for the first time in 2011, before reaching \$4.39 billion in 2015. Juniper Research expects revenue for mobile location-based services to reach \$13 billion by 2014. The mobile marketing landscape is growing increasingly competitive, and companies need to become active in mobile marketing so they're not left behind.

Areas to consider include:

- Mobile search
- Mobile advertising
- SMS
- QR codes
- Coupons
- Loyalty programs
- Location-awareness technologies
- Check-ins
- Interactive Voice-Recognition technology

3. MOBILE APPS

Mobile apps are going to up-end a

number of industries. In publishing, for example, it's much more fulfilling to navigate interactive content via a well-organized iPad app than a website, due to expanded interactive capabilities. For other industries, it simply means empowering people with access to information that they can reach via their pocket. For example, Epocrates.com is enabling mobile access to electronic health records, ScannerPro from Readdle.com lets your smartphone scan multi-page documents, and RedLaser.com provides in-store price comparisons.

Whether health, business, entertainment, news, or commerce, mobile apps give people what they want — instant access. Companies must realize that in today's mobile environment, when your audiences want products, services, or information, they want it right now. How are you going to empower them?

Overall, there have been more than 18 billion downloads from Apple's app store, with more than 1 billion apps downloaded monthly. Similarly, there have been more than 15 billion Android apps downloaded online. If you haven't considered

the apps that will be most valuable to your customers, you need to activate (or better yet “apptivate”) your brain.

4. MOBILE OPERATIONS

Mobile growth benefits not only product innovation and marketing, but just about any aspect of business operations. Whether expense management, customer service, or business intelligence, mobile is transforming the way that business departments work.

In the future, your smartphone, tablet, or other mobile device will provide any information you seek, acting as an interactive digital hub. For all practical purposes, mobile devices will be the nexus for activating all the data in the real world.

For example, imagine your next business trip. You arrive at the destination airport and check in to your hotel remotely. Your door key barcode is issued to your phone, and while you’re traveling to the hotel, the bellhop references your travel preferences via his smartphone.

While in the taxi, you use a holographic projector to review, edit, and update the presentation for your upcoming meeting. You realize that you’ll need a new product prototype for the meeting, so you doodle the concept on your tablet while your heuristic CAD application generates a professional prototype. You send the prototype wirelessly to the hotel business center’s 3D printer, where it will be waiting for you upon your arrival.

At the hotel, you make restaurant

reservations and check your email from screens throughout the building. Front-desk personnel interact with the maids, bellhops, and concierge in real-time to personalize your experience. If you decide to order room service, the in-hotel restaurant transmits video of the gourmet preparation of your dishes to your phone, tablet, or any screen of your choosing.

Sound far-fetched? Just remember when Bill Gates had a crazy dream of a computer on every desk and in every home. Not such a crazy dream anymore, is it?

5. MOBILE PAYMENTS

Consumers made 26 million food and beverage purchases via a Starbucks app in the past year. Starbucks states that mobile payment is the most popular feature of its multifaceted app.

If you deal directly with consumers, expect a major shift in their expectations toward making payments. There’s been a great deal of hype recently around mobile payment solutions such as Square, Swipe, and Google Wallet, and innovation in this area is going to come fast and furious. As mobile moves from being considered an emerging technology to the mainstream, consumers will expect to make payments via their smart devices, whether in your store, on the subway, or on their couch.

Mobile payment platforms will take shape in different ways, including:

- **In-Store Mobile Technologies** — Shoppers will use smart de-

vices to make payments rather than credit cards, cash, or check. Store employees will be mobile, interacting with shoppers and enabling them to make purchases while they handle and discuss actual products.

- **Mobile-Social Integration** — Certain purchases will become social experiences, and consumers will expect to pull their friends or family into their purchase decisions.
- **Multi-Screen Experiences** — Consumers will increasingly expect to purchase what they’re viewing on any screen, whether movie, TV, download, game, advertisement, etc.

THE MOBILE FUTURE

Whether it’s your business model or customer payment options, expect mobile to disrupt your business in the near future. To be successful, your business will need to adapt and excel on screens of every size. Start planning now and implement as soon as possible.

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