



## 13 ways for retailers to deal with the threat of showrooming

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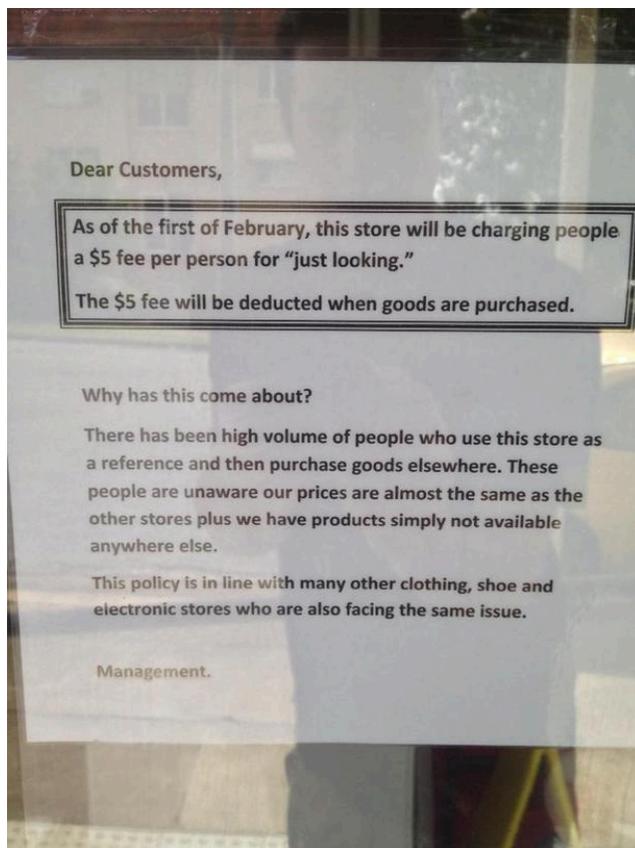
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Showrooming, whether retailers like it or not, is here to stay. In fact, as smartphone usage grows, it's only going to increase.

Naturally, as retailers see the threat of people using their mobiles to compare prices and buy elsewhere, they are concerned about this trend. But what can they do about it?

Here are a few suggestions for tactics that offline and multichannel retailers can use...

Here's how not to deal with showrooming...



This sign was spotted in a Melbourne store and posted on Reddit. A great way to deter your customers...

### **So what should retailers do instead? Accept that showrooming is a fact of life**

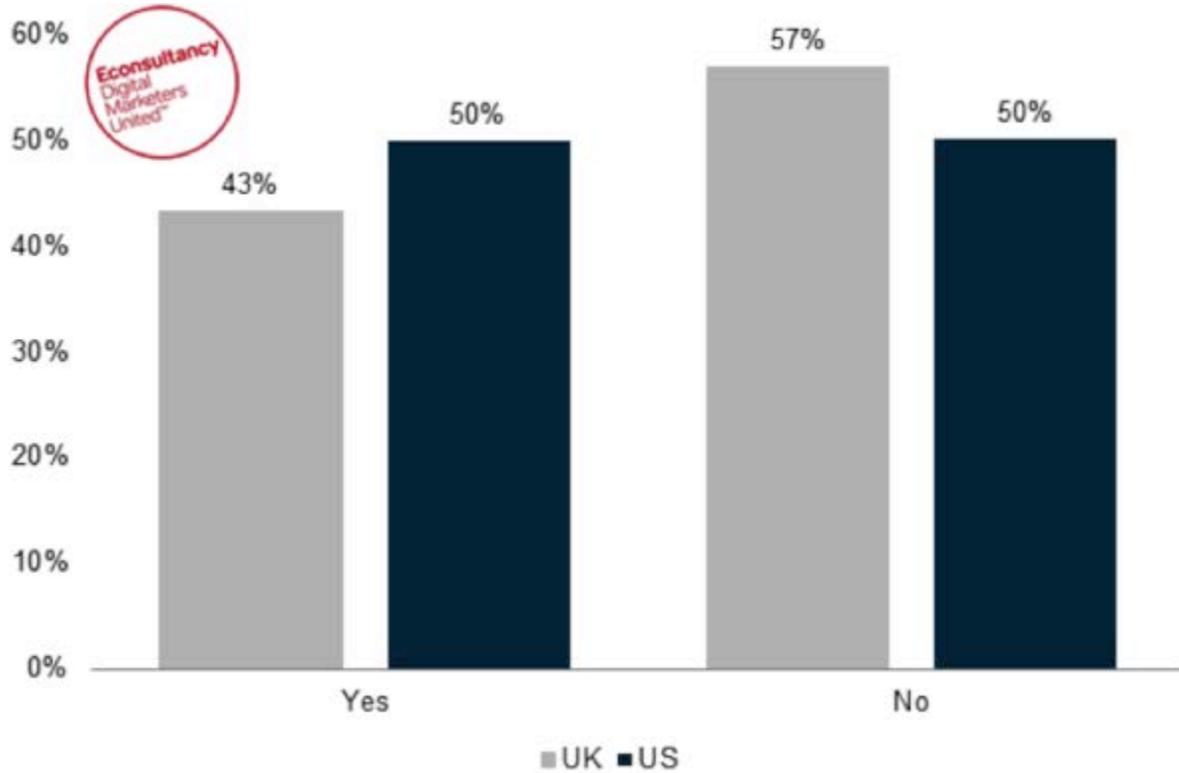
Unless you want to try the approach used by the Melbourne store, and risk deterring customers altogether, the best approach is to try to use showrooming trends to your advantage.

According to a consumer survey carried out for our recent How the Internet Can Save the High Street report, 43% of UK shoppers now use smartphones while on the move to compare prices and read product reviews.

This figure is up from 19% in the same survey last year.



Q: Have you used your mobile to compare prices and look at product reviews while out shopping?



### The digitally enabled store

Retailers are now looking to create digital shopping 'experiences' which bring digital technology into stores. For example, Burberry's flagship London store contains an impressive array of digital gadgetry to provide a better shopping experience for customers.





This includes iPads by the dozen, lots of video screens, including full-length screens which convert into mirrors, as well as clothing which has been chipped to trigger catwalk videos when in near a mirror.

M&S has tried something similar in its Cheshire Oaks store, adding virtual make-up counters, lots of video screens, and wi-fi.

Some of the gadgetry may be beyond the budgets of many offline retailers, but tactics like adding wi-fi and using prompts for mobile users don't have to cost a fortune.

### **Offer unique products**

This obviously isn't possible for every store, but if retailers' products cannot be price-compared, then showrooming is less of a challenge.

Indeed, Target has been asking suppliers to create product lines that can only be sold in stores, thus reducing the impact of showrooming.

This may work for a bigger retailer with the spending power to influence suppliers, but it's not a tactic that will work for many others.

### **Launch an app or mobile site**

The threat posed by comparison apps and sites, and those offered by retailers like Amazon shouldn't be underestimated.

Chances are, if you have a product that Amazon also stocks, it will probably be cheaper with the online retail giant. Add to that the flexible delivery and free shipping options and it's easy to see why it's a threat.





However, if you can point customers at your own mobile sites and apps for product research, then the Amazon effect can be reduced. If they can see product details, reviews etc then they may not feel the need to head elsewhere.

### **Point people at your site**

If you have an app or mobile site, shout about it. Prompt people to download it in stores, add prompts to product displays, even incentivise people to download and use apps and sites with discounts and other offers.



For example, users of Debenhams's apps were encouraged to scan a QR code for a free coffee. A small thing perhaps, but it meant that customers spent more time in stores, increasing the likelihood of them making a purchase.

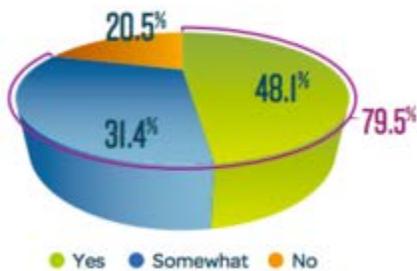
### **Provide free wi-fi**

If you can't beat 'em, join 'em. Let mobile users access the internet with ease in your stores, in conjunction with your own app and mobile site which, of course they are prompted to access in store. This can help to attract customers to your store, and they will appreciate not having to eat into their data allowances.

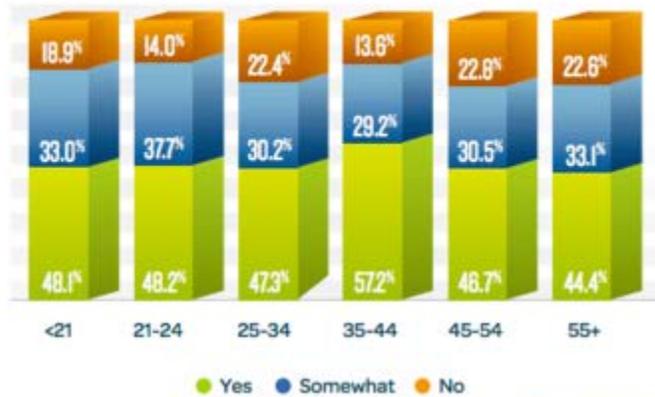


Indeed, recent stats from JiWire found that 44% of all age groups say that the availability of in-store wi-fi influences where they shop.

Would the availability of in-store Wi-Fi influence where you shop?



Source: JiWire, Q4 2012



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There are added benefits to providing wi-fi too. You can ask customers to register and provide a few details in return for wi-fi access. I wouldn't recommend that retailers ask for too much, but an email address and a few details aren't unreasonable.

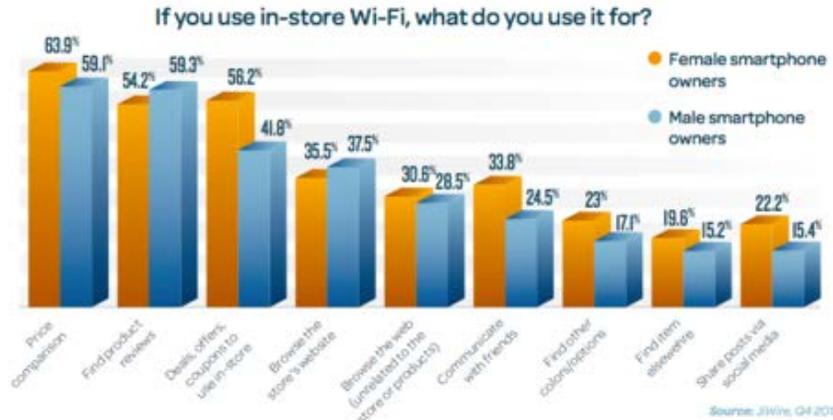
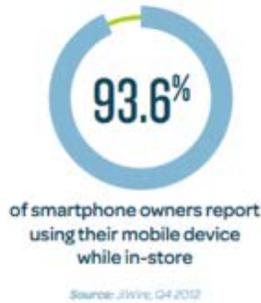
This then opens up possibilities for location-based targeting of promotions while users are in store. Dave Wieneke provides some examples of how retailers can use precision marketing.

According to an OnDeviceResearch survey, 74% of respondents would be happy for a retailer to send a text or email with promotions while they're using in-store wi-fi.

### Use reviews in store

Consumer reviews are powerful, and if they work online, why not use them offline?

According to the same JiWire study mentioned earlier in this article, 57.3% are using wi-fi to find product reviews, which indicates they are considering a purchase and merely require some reassurance, or the social proof offered by reviews.



Of course, retailers should prompt customers to check out the reviews on their own sites (and 36.5% of the JiWire respondents are using wi-fi to browse the store's website), but there are other ways of using reviews offline. They can be offered at point of sale, as Blackberry does here with Reevoo reviews. They offer useful information for consumers and are detailed enough to allow customers to assess different product characteristics.





## Price matching

This is perhaps a risky tactic, and one employed by Best Buy in the run up to Christmas. There were a few caveats (no obscure online retailers for one) but it's potentially an effective tactic.



The risk I mentioned is that posed to the retailer's bottom line. Amazon's economies of scale can be matched by very few offline or multichannel retailers, so price matching alone could just lead to a race to the bottom.

However, if retailers can use this to gain repeat business, or cross-sell at the same time, it may be a useful tactic.

## Offer excellent customer service

As the online channel matures, and growth slows, customer service (and customer experience) will be the key differentiator. It can also trump price in some circumstances.

For some purchases, price online will be the deciding factor once customers decide to buy a certain product, but they will also appreciate great service and the personal touch.



## Use the advantages that a multichannel presence provides

While multichannel retailers can't always match the likes of Amazon for price, there are many other factors that should be used to provide an advantage.

These include:

**Reserve and collect.** This appeals to customers who like to do their research online but prefer the convenience of in-store collection. Indeed, 40% of UK shoppers used collect in store services over the Christmas period. This allows retailers the opportunity to drive customers into stores, where they may make other purchases, as well as saving them from the hassles that are sometimes associated with delivery.

**In-store returns.** The smart online retailer will offer free and convenient returns, but many don't, and customers will often prefer to return items to a store where they can exchange them or receive a refund faster than they could via postal returns.

Appeal to the 'want it now' mentality. Sometimes, if you want a product, you just don't want to wait, and offline retailers will always have this advantage over online rivals. Retailers can make the most of this by offering the ability to check stock in local stores.



## Make sure staff have the knowledge

One of the reasons in-store shoppers turn to their mobiles is to find information, so why not make sure they can find out more in-store?



If staff are knowledgeable enough to answer customers' product queries effectively, then they may not need to head online.

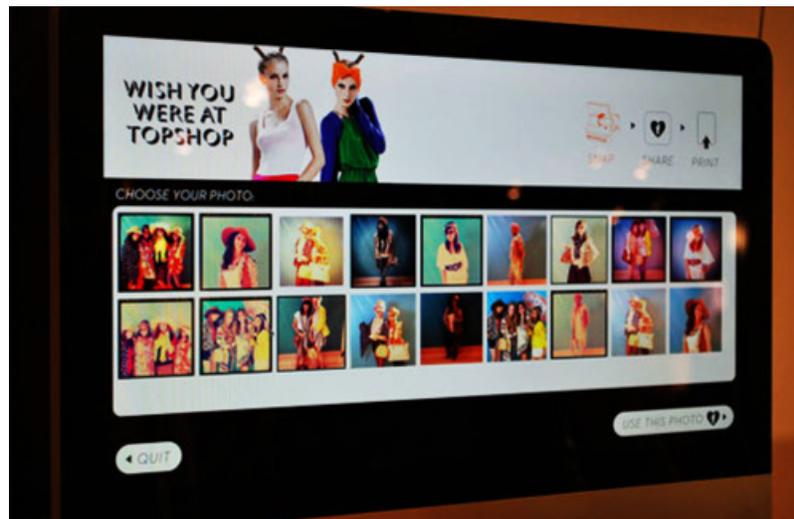
Let's say a customer is considering buying one of two laptops. If a knowledgeable staff member can explain the differences and pros and cons of each, then they may persuade the customer to purchase there and then.

However, if staff don't have the required product knowledge, then it's easy to find this information online, where customers may also find the same laptop at a cheaper price.

### Use social media

If people are in your stores using their phones, why not find a way of turning this to your advantage, and getting these 'showroomers' to promote your store?

One example of this comes from TopShop. After receiving free style and make-up sessions, shoppers were invited to create a digital "Wish You Were At Topshop" postcard using the photo-sharing app, Instagram. The shoppers' images were captured through an iPad, set with an Instagram filter.



Shoppers were then encouraged to upload and share their images on social media.

### QR codes

QR codes (rightly) have their detractors, and implementation of QR has been patchy to say the least. However, it can work when used well and a good place to use QR is in stores where people are seeking product information, and have some 'dwell time'.



QR can be placed at the point of sale to prompt customers to product details or a demo video, as in this example from Selfridges:



Selfridges actually messed up on execution here, as one of the codes leads to an unoptimised landing page, not the promised video, but the idea still stands.

Of course, it doesn't have to be QR, the same could be achieved by using a barcode scanner, or simply adding a URL to the point of sale.

Link: [http://econsultancy.com/uk/blog/62447-13-ways-for-retailers-to-deal-with-the-threat-of-showrooming?utm\\_medium=email&utm\\_source=daily\\_pulse](http://econsultancy.com/uk/blog/62447-13-ways-for-retailers-to-deal-with-the-threat-of-showrooming?utm_medium=email&utm_source=daily_pulse)