



Taking the decision to develop plans around new and emerging technologies can be a tough call to make. In relation to e-commerce, many are put-off by the level of investment required, whilst others are nervous about handing over data on their customers and processes to third party suppliers.

These concerns have meant that many Irish retailers and symbol groups have fallen into the

'late adopter' camp – a position which may have saved them from 'wasting' money on technologies that have come and gone, but also one which has put them on the back foot in relation to their more adventurous counterparts.

A shift towards mobile-based e-commerce solutions, however, (Google estimates that mobile devices will overtake fixed devices in the next three years), could mean that many retailers will

now have to reassess their online strategy. This may also mean that the late adopters may be able to leapfrog into the next new thing – mobile browsing and mobile shopping.

While many companies know about new technologies that consumers are embracing, few of them have actually taken the leap and developed robust marketing and strategic plans around how to make money from the new tech trends.

For example, sales of the iPhone internationally have now exceeded €55 million, with around 350,000 Irish consumers now using the device. However, very few Irish retailers have capitalised on this new trend by making it easy for consumers to find their products.

So how can the move towards the iPhone and other smartphones be harnessed by retailers for their benefit? Firstly, retailers need to recognise the way in which shoppers are now researching price and product specification online.

We know from Ebay, for example, that around 70% of Irish consumers are searching online for more information and better value in certain categories. However, we also know that shoppers still prefer to shop locally, either because of convenience (ease of access) or a desire to support local businesses.

Applying these trends to the grocery sector, what we can see is that today's consumer may not always want to actually complete the purchase online, but is now far more likely to research information on price and availability before deciding what to buy and where to buy it.

In the UK, for example, the MySupermarket website has allowed shoppers to compare full baskets of goods across the major supermarkets, enabling them to decide whether Asda, Sainsbury's, Tesco or Morrisons is cheapest for the goods that they want to buy at a given time.

Responding to these trends, software developers are now creating mobile solutions that help shoppers to access more information and empower their shopping decisions. That being said, with more than 225,000 apps (software applications) to choose from on the iPhone's App Store, it's increasingly tricky to sort the wheat from the chaff.

One interesting company is called Foursquare – this is an app that tracks your location and then gives customers tips and advice about local merchants. Retailers can sign up to give deals to customers who 'check-in', and also allow certain customers (those who check-in the most) to be 'Mayor' of that particular outlet. Customers can also leave reviews or tips about a particular shop or restaurant, depending on the service they get.

Another similar system is called Yelp, which allows customers to rate retailers and post their comments online, and which has exploded in popularity in the US. With research from internet consultancy ENOW showing that shoppers view reviews as more than 12 times more trustworthy than manufacturer or retailer descriptions, these comments can mean life or death for a business.

Amazon, of course, has lots of apps that make it easy for consumers to purchase from them

directly. For no cost, Amazon lets iPhone users take a picture on their phone of any product and send it to them, where an Amazon employee identifies the product and sends back information, ratings, user comments and a link from where you can purchase the item (from Amazon, of course) at a good price.

For the Irish grocery sector, this may not be an issue yet, but with Amazon now moving into groceries in the UK, it may well appear on our radar in the coming years.

While Yelp, Foursquare and Amazon may represent what is coming down the tracks for Ireland in the coming years, it is more likely that the most immediate impact on Irish FMCG will come from retailers like Tesco, which has embraced new technologies in its core UK market.

For example, Tesco's most popular iPhone app, called Tesco Finder, allows a customer to search for a product, get the price, and it even tells the customer in which aisle the product may be found.

Currently only available for UK stores, it knows which store is closest to you, and if you search for 'Pampers' the app tells you 'Aisle 26 on the left side at the first unit, the 4th shelf up from the floor'.

The app also gives information on deals such as BOGOFs or three for two. This app is currently running for all UK and Northern Irish

stores, but surely it won't be long until it is populated with the Irish shop data.

What the Tesco app shows is how retailers are now recognising the importance of using technology both for online shopping (e-commerce) and prompting or assisting shoppers to choose their bricks and mortar stores.

TapMap is an Irish company that is working in partnership with a US firm, to help retailers to sell more to mobile shoppers by using the iPhone.

A free app called Shop Savvy uses the camera on the iPhone to 'read' a barcode on a product at home, and then the system tells the customer where that product can be found locally.

What this means for the consumer is that they can now find out instantaneously what's available in a local store, with GPS positioning showing the closest store where the stock is on sale, along with phone numbers and directions to the store.

The main benefit for the retailer here is generating new custom for his store, however, there are other benefits too. For example, the retailer can access trend data on what products are being searched for regionally and across the country (there have been 40,000 searches in the last two weeks alone – with beer and wine top of the list), allowing them to tailor their inventory to match demand.

The Shop Savvy app also links in with EPOS systems, so it automatically matches what is

actually available. This ensures that shoppers become aware of new listings, and are not disappointed if they visit your store and their desired items are not in stock.

Several Irish retailers (Joyces, O'Briens Wines, Evergreen Healthfoods, Unicare Pharmacy and others) are already planning to be on the system.

"We believe it will be a real benefit to consumers, allowing our customers to see what products are in stock, and at what price," Unicare Pharmacy MD, Cormac Tobin, said.

From both a retailer and manufacturer perspective, the system also allows scope to highlight promotions or 'alternatives' to the scanned product.

For example, when a consumer 'scans' a product, the app can show an advertisement for a chosen category and an ad will pop up on the phone immediately. So if someone scans Jacob's Creek wine, the app would show where it was available and at what price, but could also display an ad for Blossom Hill or Rosemount.

What technologies like these show is that both large and small retailers are now waking up to the benefits of new technologies. Of course, large international retailers with big IT and marketing budgets can afford to produce slick applications, but that doesn't mean that smaller, more nimble retailers have to be left behind.

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