BLUETOOTH BEACON USE DRIVES SALES

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Touching Clients as They Traverse RHT Property

Please join us in a thought experiment on Point-of-Sale goods past and future. In the distant past, General Store clerks behind the counter took your shopping list, filled the order and could upsell based on their relationship with you. "*Those lovely red-and-white striped candies are peppermint sticks, a Christmas treat!*"

Today you browse the aisles on your own. You may be in a retail store, a shop on hotel property or aboard a ship. You proceeded to checkout to complete the purchase. While waiting in line, Point-of-Sale goods are presented for casual purchase: convenience goods, mints, gum and small clearance items. Coupons and sale reminders might be posted on the back of a cash register to remind you of sale items. A deal on a highly desirable item might motivate you to step out of queue to retrieve the item. Yet, if time is a factor, you may forgo the opportunity to purchase the item. On vacation and during leisure time though, Point-of-Sale is both more probable and more lucrative; additional purchases can increase total spend by 25-33%.

What does it take to make shoppers purchase Point-of-Sale goods? Immediacy and urgency. The importance of this kind of impetus cannot be overstated. Unfortunately, mobile purchase devices such as Apple iPhone's "Square," now enable consumers to complete purchases anywhere on the sales floor. The wait time around Point-of-Sale goods is reduced to near zero.

Enter the roaming checkout associate to help retailers reach clients with these "last minute deals" to capture add-on sales. The hardware behind the roaming checkout associate is the Bluetooth beacon.

Labor Force Takeaway

The Bluetooth beacon is a central component of a Smart City, starting with its use by RHT firms. The deployment, programming and maintenance of Bluetooth beacons is about as basic as IT gets. IT departments will need to expand the ranks of trained or *trainable* personnel.

If RHT companies and the RHT TDC are looking for an opportunity to find an onramp for IT training that does not require previous experience, Bluetooth beacon training might be the right niche. From there, smartphone application development and maintenance can be a next step in the career pathway.

Randee Jennings; jennings@NJIT.edu, Technology Advisor to the Retail, Hospitality and Tourism Talent Network

Proximity Couponing Gives Shoppers Point-of-Sale Value

The Bluetooth beacon is a simple, short-range, low energy broadcast device. It uses a proprietary Bluetooth Low Energy Wireless Technology and is compatible with both Apple IoS and Android SDK platforms.

A beacon's job is simply to push sales information to smartphones and personal digital assistants (PDAs) within a specific range. Clients with a compatible app can see and utilize push notifications received from nearby beacons. Coupons, deals, and time-sensitive offers emanate from the beacon, appearing on the PDA's of nearby shoppers. Deals are redeemed at checkout – wherever that occurs – and are tracked through beacon features, like data visualization and reporting, custom branding and custom applications.

> **Opportunities for proximity marketing, hyper-local content, narrowcasting, customer service, and contact-less payment are numerous and extraordinarily high value.**

Beacon communication is being used for applications other than sales.

- Starwood Hotels is running a trial to replace room key-cards with beacon-broadcasted permissions, allowing guests to open their room with an application on their smartphone.

- In restaurants, beacons can be used to track client seating and waiter location, providing better customer service.

Experience-based venues benefit the most from Bluetooth beacons. Art galleries, museums and zoos have very successfully deployed Bluetooth beacons as a substitute for human tour guides and docents. Users standing directly in front of an attraction can receive information from the nearby beacon describing what they are viewing. The system has similarities to the hand-held recorded devices galleries currently rent for special exhibits. Beacon-dispensed information is an upgrade because locating the information source near the attraction means a smartphone-app user can view the attractions in any order they choose.

Beacon-dispensed information is also superior to a software architecture using RFID tags. Beacon algorithms are amenable to artificial intelligence, allowing information to be personal to the user. Messages from the beacon are "sanitized" by the app on the user's smartphone. This is where messages are adapted to the **profile of the shopper.** The likelihood that the client will buy increases exponentially.

In addition, beacons are authenticated, which means not only is the communication safe and secure, but it can ultimately drive better user experiences as well. Best of all, Bluetooth beacons can be deployed very affordably. A package of three beacons retails at around $100, or just under $34 per device. They run on three AAA batteries, which can last several months, given the low level of energy used in signal emission.

Affordable, personal, customizable, with multiple applications and big revenue potential, the Bluetooth beacon could be a key element of all RHT industry marketing plans.

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