



2019 CATALOG & INTEGRATED MARKETING SUMMIT

INTEGRATED: THE SMARTER
PATH TO PROFITABILITY

PHILADELPHIA, PA | APRIL 24-25 2019

4 DISRUPTIVE TECHNOLOGIES

Redefining The Retail Experience Today

PRESENTED BY **ERIK MARTINEZ** EXECUTIVE VP & CO-OWNER, BLUE TANGERINE

TIM CURTIS PRESIDENT, COHEREONE

APRIL 24, 2019

cohereOne



DISRUPTION

CHANGE

OPPORTUNITY

RISK

REWARD

PERSONALIZED & TIMELY
INTERACTIVE EXPERIENCES
THAT BOOST
CONVERSION POTENTIAL
FOR RETAILERS

GEOFENCING

DIGITAL ASSISTANTS / VOICE SEARCH

AUGMENTED REALITY

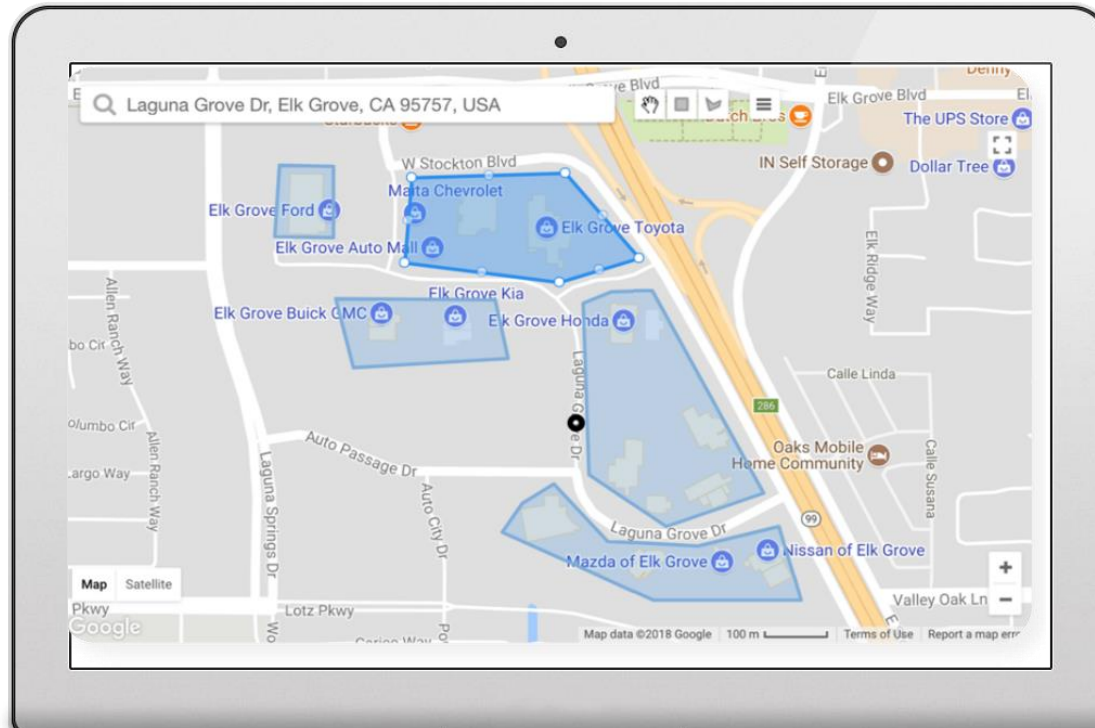
VIRTUAL REALITY



©marketoonist.com

GEOFENCE MARKETING



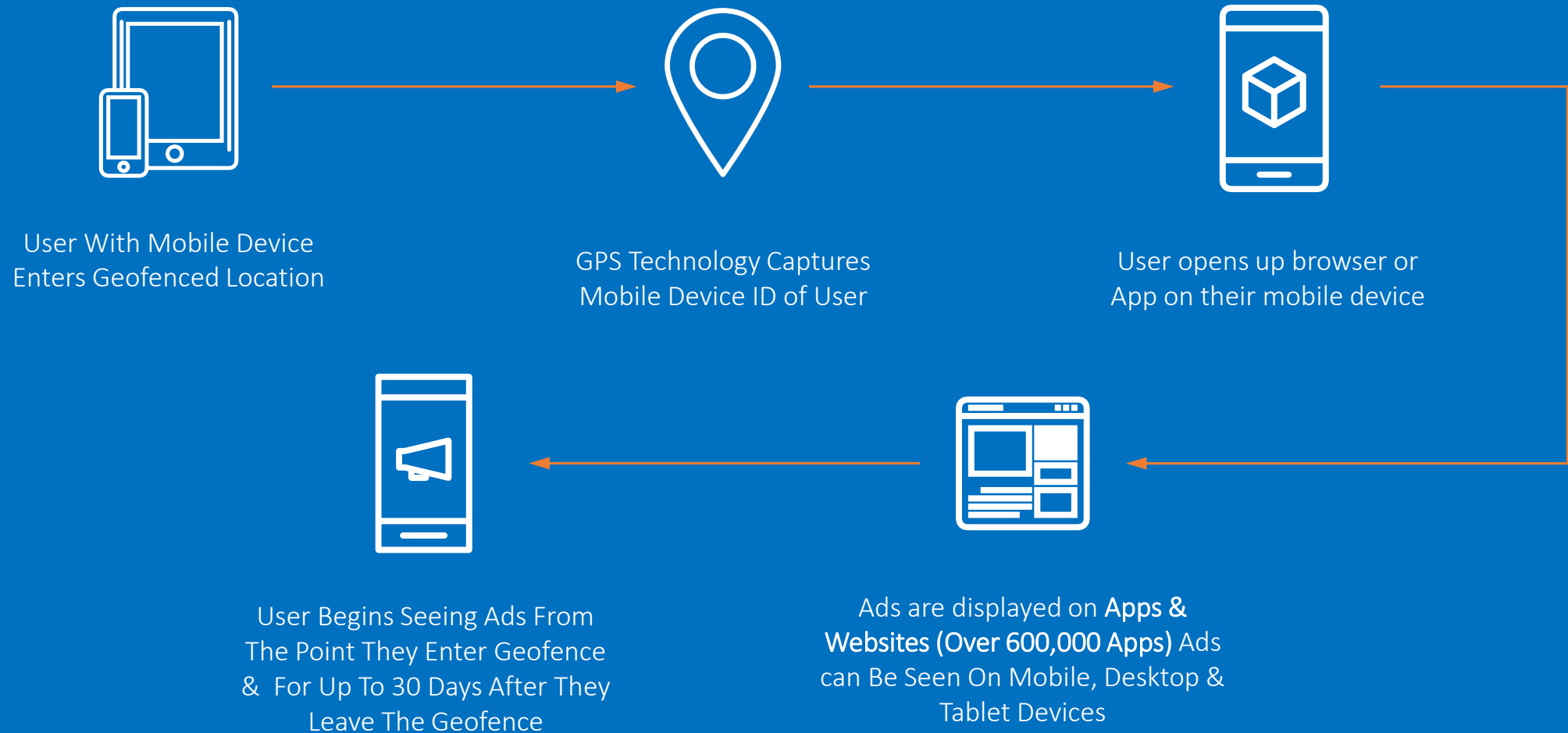


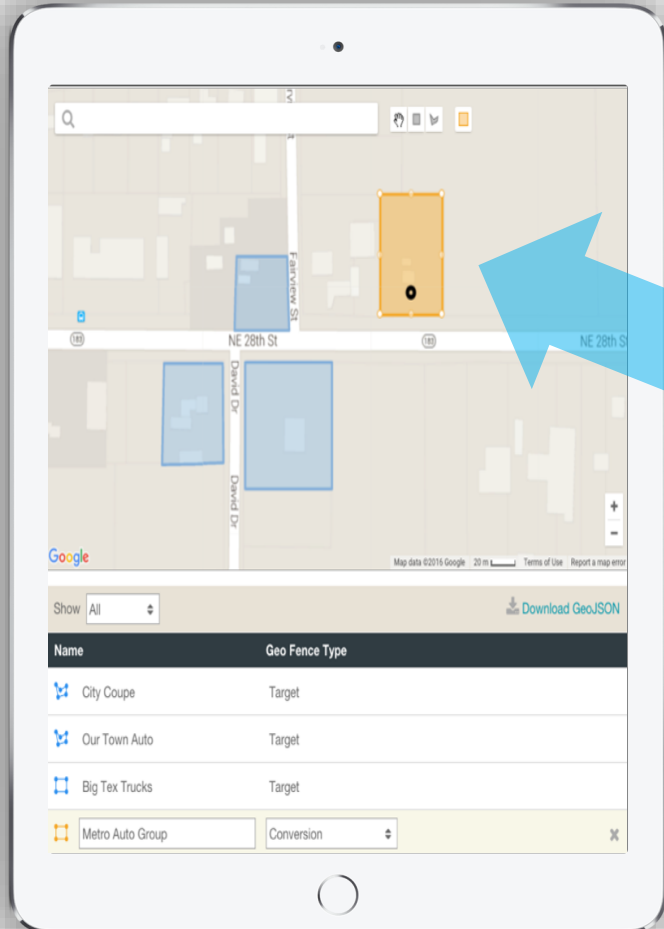
**TARGET ADS BASED ON
PHYSICAL LOCATIONS
YOUR AUDIENCE VISITS**
– INCLUDING COMPETITORS

**CONSUMER'S PHYSICAL LOCATION CAN
INDICATE USER INTENT**

RETARGET WITH DISPLAY ADS

How Geofencing Works





MEASURE FOOT TRAFFIC BACK TO YOUR LOCATION

Conversion Zone Tracking

When someone enters the conversion zone after viewing or clicking on an ad after entering a geofenced location. We can measure physical activities.



ADDRESSABLE (HOUSEHOLD) GEOFENCING

Target households and businesses through physical addresses. Technology uses plat line data from property tax and public land surveying.

**THE GEOFENCING
MARKET SIZE WILL
GROW
BY \$1.5 BILLION
DURING 2019-2023**



BRIEF

Burger King trolls McDonald's with geolocation stunt

<https://www.adweek.com/creativity/after-trolling-mcdonalds-burger-kings-app-was-downloaded-1-million-times-and-hit-no-1/>

introducing the
#WhopperDetour. order a Whopper for a penny only “at” McDonald’s with the BK app. yes, you read that right. drive near a McDonald’s and use the BK app. no need to go to their drive-thru. get yours before December 12th.

see details:

<https://t.co/qvUSSf4yuQ>
pic.twitter.com/Tya17Xo7J3

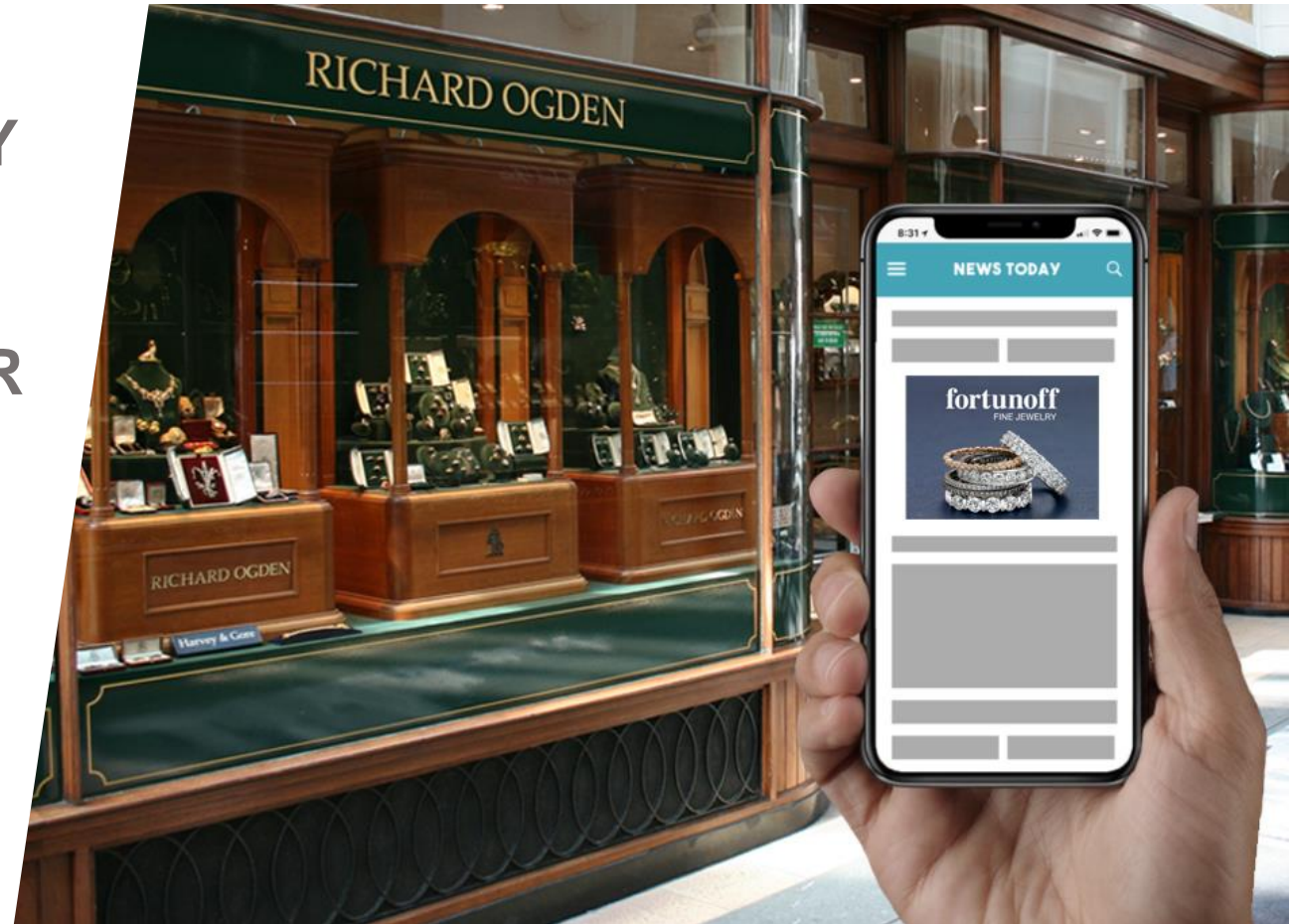
— Burger King (@BurgerKing)
December 4, 2018

WHOPPER DETOUR CAMPAIGN

At the time, Burger King had 6 million app downloads – 1 million came from the 36 hour geofence campaign

The Burger King app temporarily moved to no. 1 on App Store. (At the time, McDonald’s app ranked 42)

KNOW THE CUSTOMER'S JOURNEY
NARROW THE GEOFENCE
CREATIVE AND THE OFFER MATTER
THE LANDING PAGE MATTERS
GIVE IT SOME TIME
TEST, LEARN, TEST



Geofence advertising implications for you:

Direct



- Can geofence brick and mortar competitors
- Competitors cannot geofence direct/online only businesses
- Direct usually has solid physical address database which lends to Addressable Geofencing opportunity



- Can track website impressions and CTR, but no foot traffic to measure

Brick & Mortar



- Can measure foot traffic back to store



- Competitors can geofence your store
- Can measure foot traffic, but hard to measure instore purchases

Geofence for direct

Addressable geofencing can serve as a great supplement to strengthen your direct/email campaigns.
A/B test to find best locations, message and creative.



What can I help you with?

VOICE

SEARCH

Voice search quick stats



Amazon has sold more than
100 million Alexa devices

Google Assistant is available on
1 billion devices

According to eMarketer, voice commerce
accounted for **\$2.1 billion** last year

Voice shopping is expected to rocket to
\$40 billion in 2022, from **\$2 billion** today

Voice search is changing the SEO game

USE CONVERSATIONAL LANGUAGE

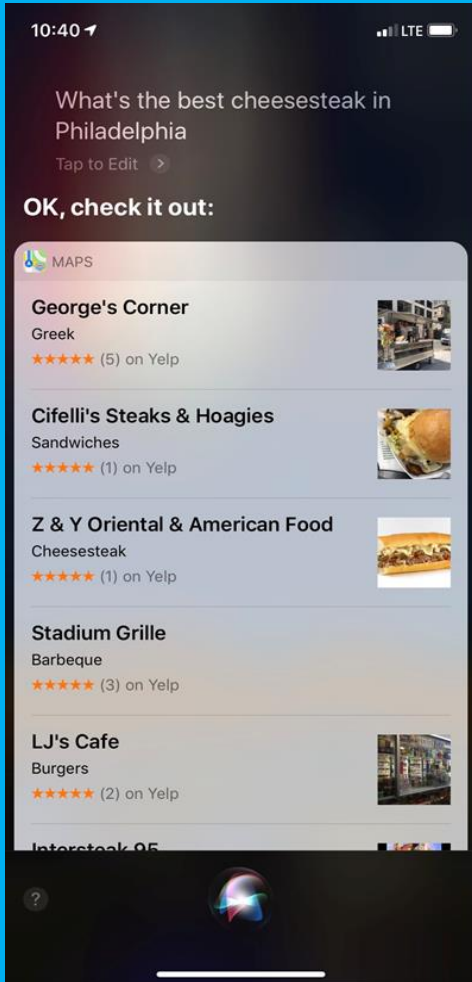
GREATER IMPORTANCE ON LOCAL SEO

GOOGLE ZERO EVEN MORE VALUABLE

IMPORTANCE OF INFORMATIVE AND AUTHORITATIVE CONTENT

POSITIVE REVIEWS IMPORTANT

**“Hey, Siri,
what’s the best cheesesteak
sandwich in Philadelphia that’s
open now?”**



Hey Siri

I found a few top-rated places in Philadelphia

Pat's King of Steaks
Jim's Steaks
Sonny's Famous Steaks

Hey Google

Sorry, I don't know that one

Hey Alexa



“OK Google, order Domino’s.”

At that point the customer is handed off to Dom, Domino’s voice-activated virtual ordering assistant that guides the customer through the order





Voice is a more natural way for people to interact with technology. With Dom on the phones, our ordering technology and plans we have for future in-store technology, our goal is to one day be 100% digital.

- J. Patrick Doyle, CEO and president of Domino's

Domino's conducts more than 65 percent of its sales in the U.S. via numerous digital platforms. “Don’t underestimate what a big deal that could be for store-level profitability and for convenience,” Doyle said.



The digital trailblazing has helped Domino’s achieve 28 consecutive periods of positive growth

Domino’s passed Pizza Hut for the title of No. 1-selling pizza chain in the world





Voice assistance & search implications for you:

Direct

-  • Voice command is an opportunity to make the online experience easier
-  • “Page rank” competition at a national/global level increases (digital asst.)

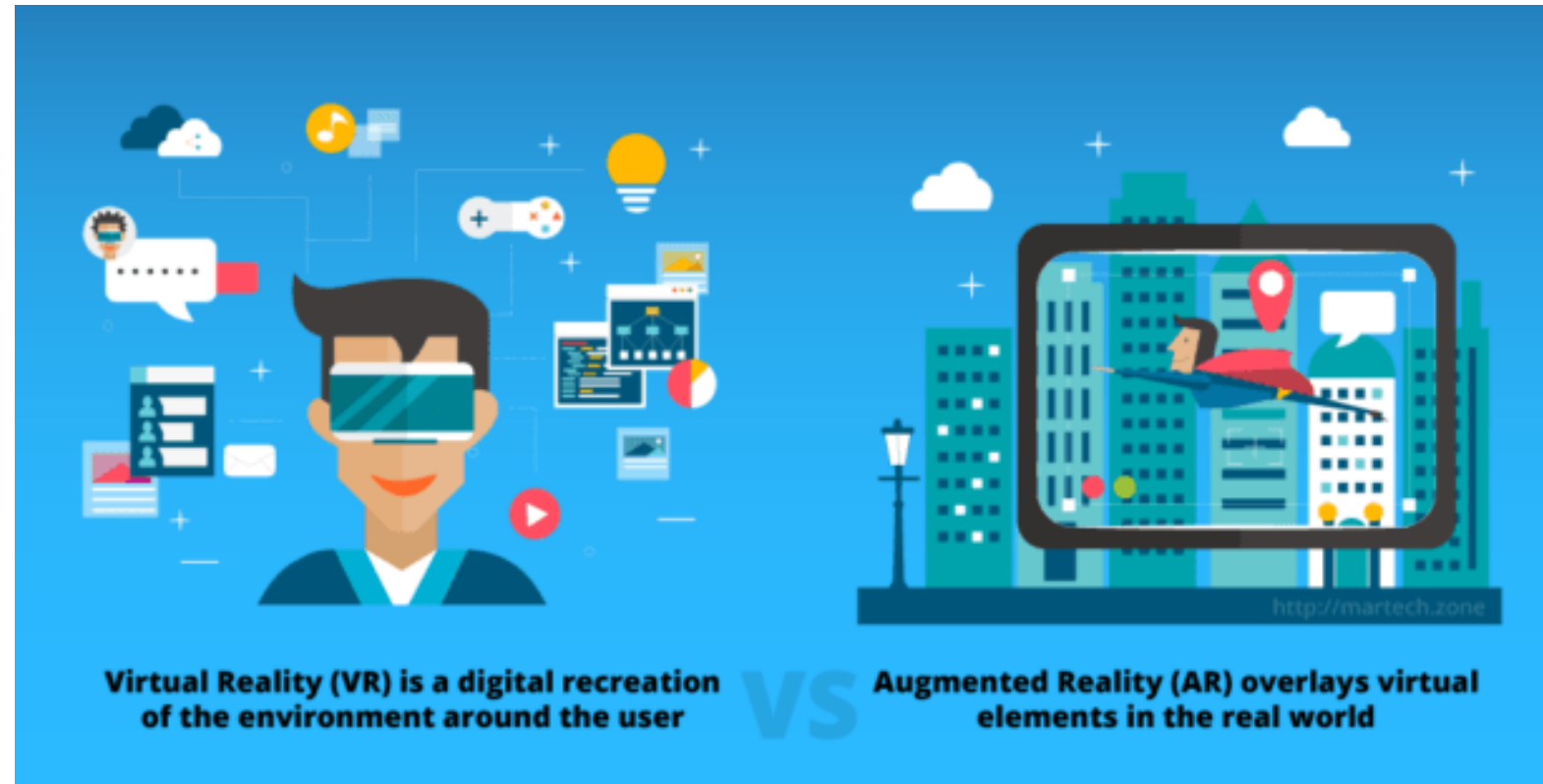
Brick & Mortar Implications

-  • Real opportunity with local SEO optimization (digital asst.)
-  • Voice command shopping can make it easier to shop online

Forget clicking

Voice search and digital assistance technology will continue to evolve making purchasing easier as consumers crave convenience

WHAT'S THE DIFFERENCE BETWEEN VIRTUAL REALITY & AUGMENTED REALITY?



AUGMENTED REALITY



TEST IN REAL-WORLD CONTEXT

CAPTURE MORE CONSUMER BEHAVIOR

MORE LIKELY TO PURCHASE SOMETHING
THEY CAN “*SEE THEMSELVES*” HAVING



THE AR MARKET ANTICIPATED TO REACH \$60.55 BILLION BY 2023

-BUSINESS WIRE

THE IMPACT OF AUGMENTED REALITY ON RETAIL



40%

would be willing to
pay more for a product
if they could
experience it through
augmented reality

61%

of shoppers
prefer to shop
at stores that offer
augmented reality,
over ones that don't

71%

of shoppers would
shop at a retailer
more often
if they offered
augmented reality

www.retailperceptions.com Interactions
Daymon

TRY IT ON AT HOME - SEPHORA APP

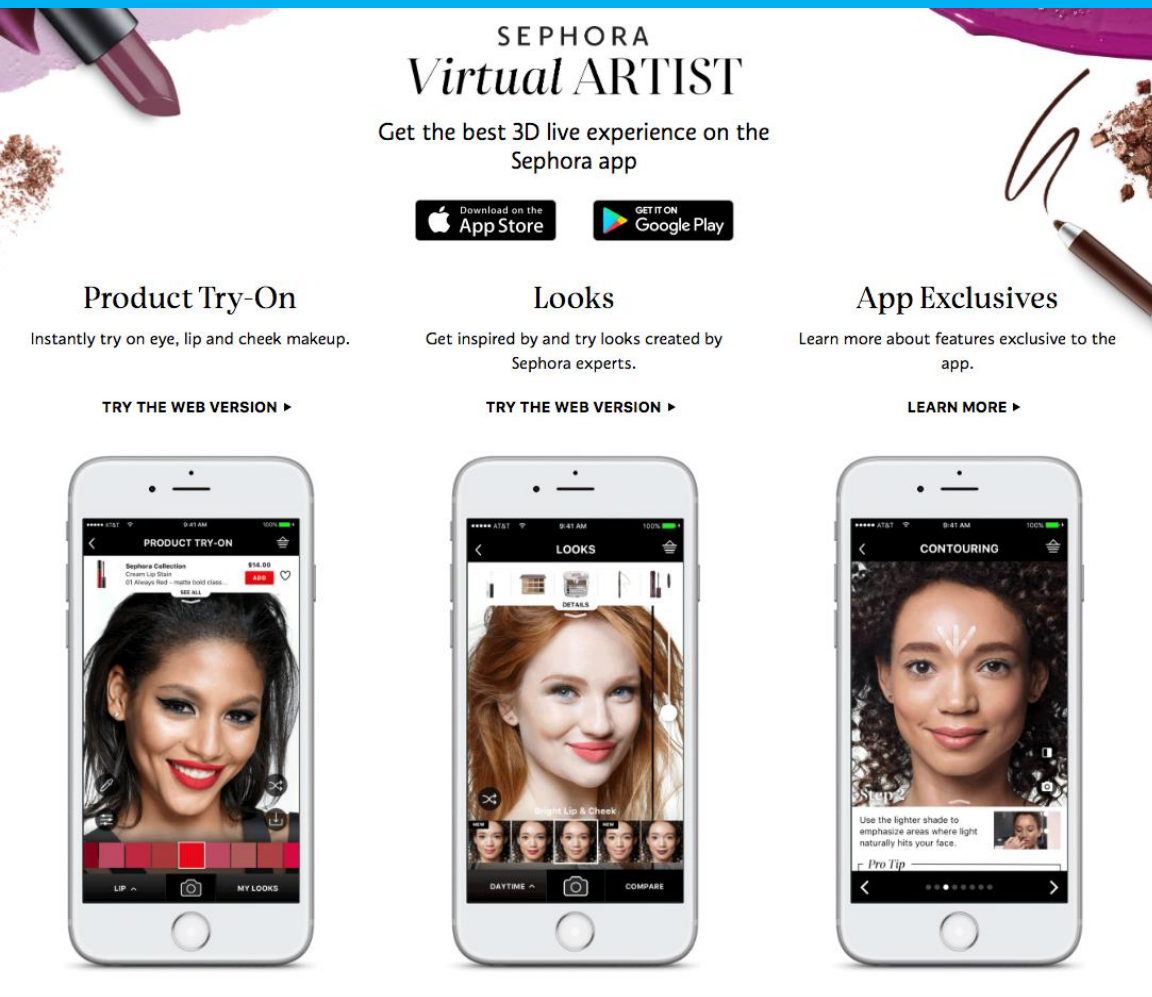
Sephora says its best use of AR is outside of social with an app called *Sephora Virtual Artist*

Customers virtually try on any shade of lipstick, eyelashes and full-face makeup looks

Also includes a feature that allows you to test out different hairstyles on the Android version

Sephora able to collect audience habits through the app data







Sephora Virtual Artist saw over 200 million shades tried on, and over 8.5 million visits in the first three years



Most clients visit the app several times per month, according to Sephora

Augmented Reality implications for you:

Direct

-  Consumers can use mobile apps from home – diminishes the benefit of the store UX
- See it, try it from the couch
- AR development less costly than the physical space of a store
-  App creation needed for AR
- Getting consumers to download and navigate the app is additional effort

Brick & Mortar

-  Can have hardware installed on devices easily ready for customers
- Store associates can assist, trouble shoot, champion
- Mobile apps can be developed and used from the couch to extent presence beyond the store
-  Direct/Online only competitors can now provide experience without physical space

Focus on costumer needs

There's a beneficial-cool factor, but be sure your use of AR is truly solving a customer problem, be sure the technology is easy-to-use and hurdle free



**VIRTUAL
REALITY**



IT'S NEW, MEMORABLE & SO COOL

Few tools can actively engage a customer. “Consumers are excited about this form of technology, creates a world of possibilities for those willing to dip their toe into the field.”

– *Innovation Enterprise Channels*

**VIRTUAL REALITY TECHNOLOGY
HAS BEEN A STEADILY GROWING
TECH AND IS PROJECTED TO
REACH A MARKET VALUE OF
\$192.7 BILLION IN 2022**

ACCORDING TO STATISTA

Macy's is using VR instead of AR to sell furniture

The company is turning to in-store virtual reality experiences to showcase room layouts

By Chaim Gartenberg | @cgartenberg | Mar 19, 2018, 11:11am EDT

f t  SHARE



VR IN-STORE EXPERIENCE

Macy's can demo a wider range of furniture without using as much physical space.


Jeff Gennette, Macy's CEO, also claims that the VR led to fewer concerns from customers about furniture fitting, as well as increases in sales of items that weren't in a store.

- *The Verge*



Macy's launched a virtual reality furniture shopping experiences in about **70 stores** nationwide




Allows shoppers to design a living space with 3D furniture images, and use VR headsets to move through the space virtually to see if they like it before purchasing


60%
Sales initially increased
Versus non-VR furniture sales






2%
Led to a lower
merchandise return rate

Virtual Reality implications for you:

Direct

-  • VR will be common place in homes
-  • Currently stores can more easily present this tech
-  • Currently, tech not readily available at home

Brick & Mortar Implications

-  • Can have hardware installed on devices easily ready for customers
-  • Store associates can assist, trouble shoot, champion
-  • Currently stores can more easily present this – cool factor, memorable, reduces footprint
-  • VR will be common place in homes

Home, sweet home

It's not a question of “if” but “when.” Eventually in-home VR shopping will be common place giving the prepared a major advantage.



Where do you begin?

Thank You!



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