

The Future of In-Store Shopping is Mobile

Rather than Fearing it, Retailers Should Harness the Huge Opportunity that Mobile Presents

The lines between traditional brick and mortar retail and e-commerce are disappearing. Smartphone-toting consumers increasingly use their phones to look for information online – creating a perceived threat to merchants. However, new mobile technology can be an opportunity for brick and mortar retailers to make the shopping experience enjoyable for consumers and profitable for themselves. Using web-wide intelligence, retailers can help customers discover the right products in their store, make confident buying decisions, and appreciate the added value that retailers provide. Retrevo has built patented technology that harnesses web-wide data to enable intelligent product discovery and evaluation that is used by 6M monthly users on its website. Like Facebook's Social Graph that maps how people and their friends are related, Retrevo's algorithms build a Product Graph that understands products, their correlation to other products, accessories, apps, content and more. Retrevo is now taking its Product Graph mobile to help retailers boost in-store sales.



The Challenge

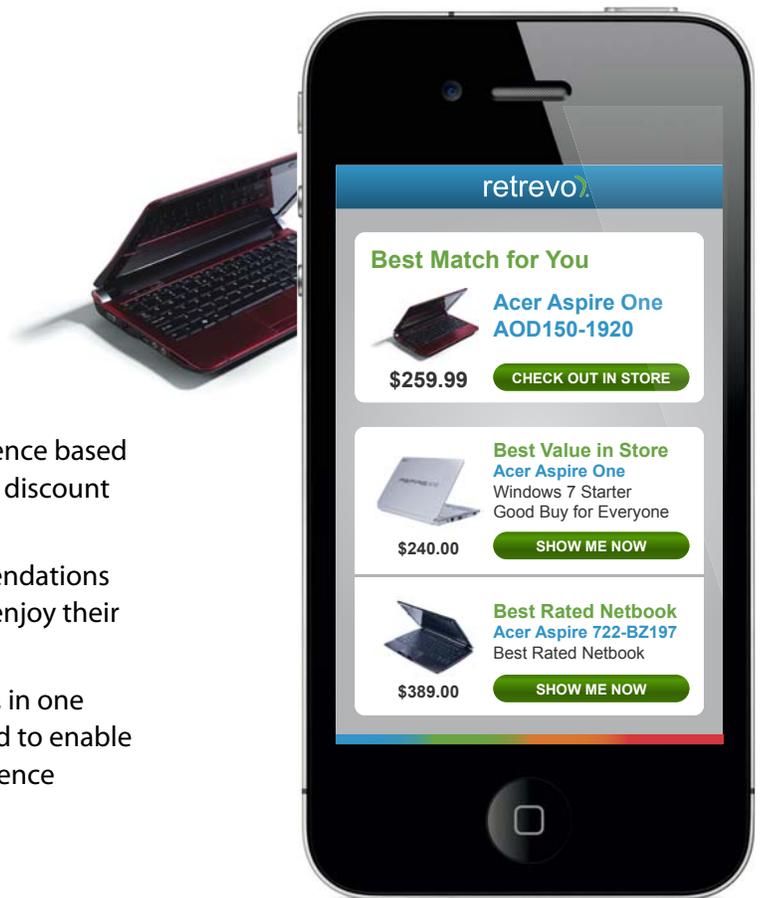
Online and in-store commerce are merging thanks to the rapid adoption of mobile technology. According to Forrester Research, mobile commerce sales are expected to grow 40% each year for the next five years. Another study by Experian Simmons shows that 8% of mobile phone owners already use their smartphones to scan bar codes to get more product information while shopping.

There was once a time when sales associates knew a great deal about the products they sold, and could provide informed, personalized service. With globalization and the rapid rate of change of inventory, there are now more products and information than is humanly possible to sort and evaluate. The “lone sales associate” is finding it increasingly hard to effectively guide, merchandize, cross-promote, and enable customer-to-product discovery. Mobile technology provides the perfect opportunity for the retailer to develop a relationship with the shopper once again, providing consumers with the personalized experience needed to make effective buying decisions. Large retail chains have started to invest in QR Codes, bar-code scans and other technologies but integrating mobile is a lot more than bringing a product’s information from the website to the phone. The experience needs to be personal, relevant to the products in the store, and it needs to enable shopping within the store - providing the needed confidence for effective decision making, and enabling discovery of other merchandise in the store.

The Goal

To capture the highest value from their customers and to maintain their competitive edge, retailers need to provide customer-centric, in-store personal guidance capabilities via the customer’s smartphone, and help shoppers do the following:

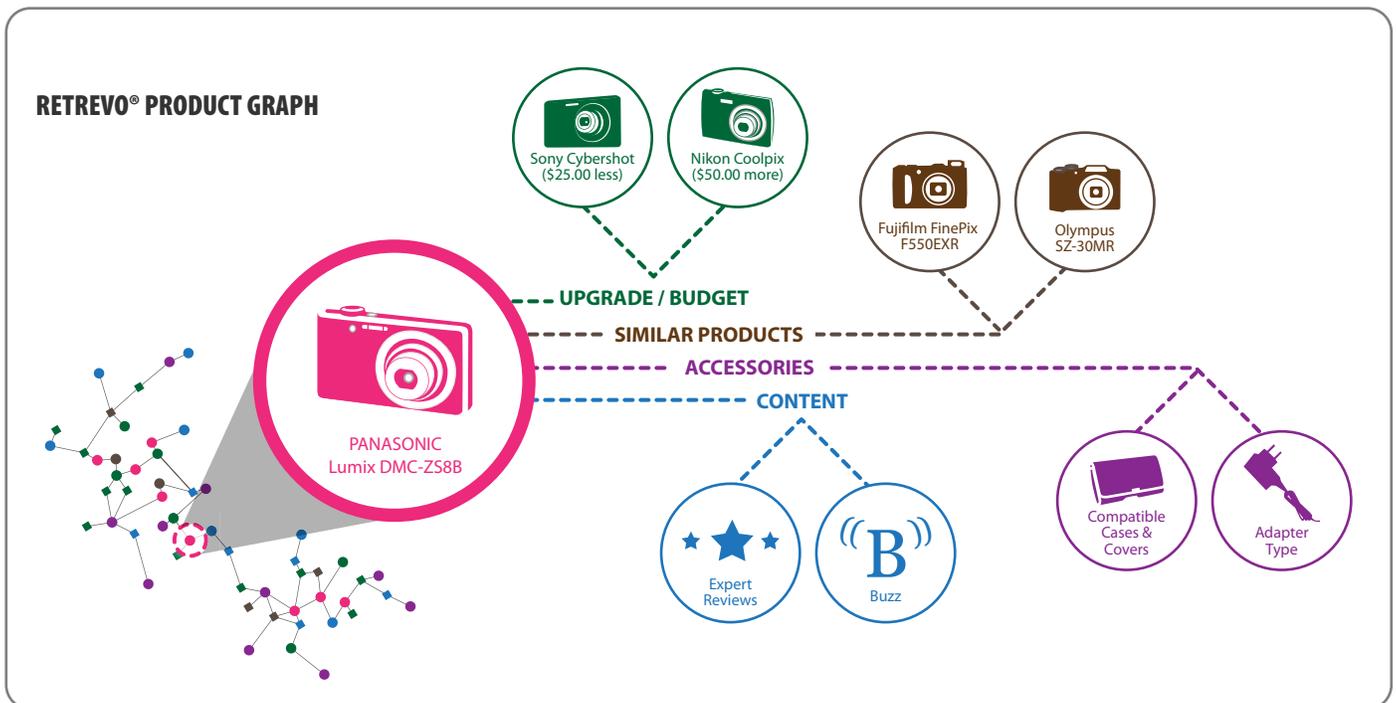
- Discover the best products in the store that meets the customer’s unique needs.
- Enable instant decision-making, providing confidence based on current trends and reviews across the web, any discount offers that might be available in the store, etc.
- Maximize the shopping experience with recommendations for what else may be needed (e.g. accessories) to enjoy their selection to the fullest.
- Accomplish all of this while in the store, right now, in one visit – use all the intelligence from the online world to enable shopping in the store – a true example of convergence between the two worlds.



Retrevo's Solution

As one for the world's largest consumer electronics shopping and review sites, Retrevo.com helps more than six million shoppers every month discover, evaluate and buy products. Retrevo has built a machine-learning technology platform that harnesses the unstructured data and wisdom of the crowd collected from the open web and proprietary data sources, to create the Product Graph – a dynamic, comprehensive global map that understands products, their correlation to other products, accessories, apps, content, and a myriad of other variables relevant to presenting an accurate view of virtually any product at any point in time.

The Product Graph allows Retrevo to effectively guide, merchandize, up-sell, and cross-sell products creating a rich shopping experience that fosters discovery, and that enables consumers to quickly choose and evaluate the right product for themselves, ones tailored to their exact needs.

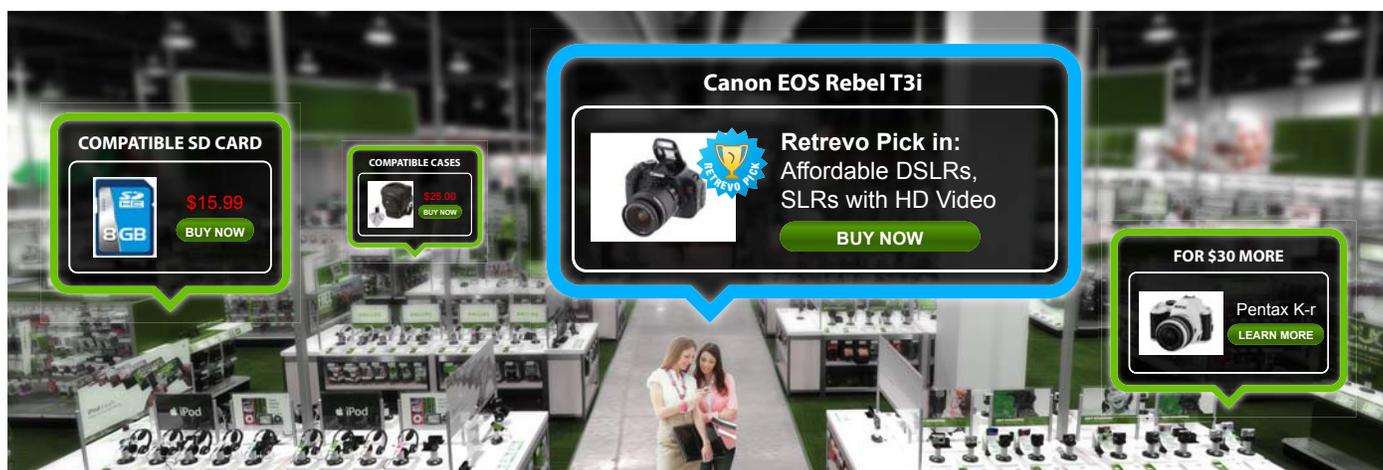


For the Retrevo.com website, the platform processes more than 100 million product data points daily, such as product specifications; their age, pricing trends, consumer sentiment, buzz and social media chatter; even the apps and content relevant to the product. The result is a simple product discovery experience aided by a rich product evaluation that predicts product obsolescence, web-wide sentiment, value judgment and a product's compatibility with accessories, content and apps. This technology can be applied and utilized for nearly any category of products or markets with multiple variables, such as appliances, home and garden equipment, sporting goods, etc.

Retrevo is now taking its Product Graph mobile. It is partnering with a few select retailers to help boost in-store sales by empowering shoppers with the information they want and expect.

The Product Graph uses a combination of local store inventory and web-wide trends to enable:

- **Discovery Based Shopping:** Help shoppers find products that match their lifestyle and needs and pair recommendations with inventory that is actually on the sales floor.
- **Real-Time Product Evaluations:** Recommend products in-store which have both a “good value” and “good review sentiment” based on web-wide data, collected and analyzed by algorithms daily. Shoppers are guided, by their smartphones, to said products on the sales floor.
- **Intelligent Accessorizing and Cross-Promotion:** Since the Product Graph understands which products relate to specific accessories like batteries, cases, and SD cards, virtual mobile assistants can guide shoppers, in-store, to products relevant to the big-ticket items they are purchasing.



Conclusion

Retail industry experts unanimously agree that the mobile economy will revolutionize commerce over the next five years, but there is no indication that America's top merchants are even close to ready -- or viewing mobile technology as a positive force that can be used to their advantage.

To meet consumers' needs and expectations, retailers need to implement a Product Graph that deeply understands every product, where it is, and where it is going in the marketplace. This understanding will function as the backbone of future in-store mobile commerce, and increase customer loyalty by connecting shoppers with relevant products that meet their needs.

Opportunities for new sources of revenue abound, but brick and mortar retailers must evolve and use the technology available to help them merchandize and tailor their store to every customer's needs, enabling shoppers to rediscover the joy of finding the right products, every time they enter the store.

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