



Closing the gap: In-store WiFi bridges the online/offline divide

New field survey results reveal a simple opportunity for retailers to build long-lasting relationships with their customers

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Hallie Ferguson
hferguson@gmail.com
+1415489279024

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Activities

- Visit - F&M Store**
Nov. 14, 2021 - 2:32 PM ET
New York City - 32 minutes
- Proximity - F&M Store**
Sep. 4, 2021 - 10 AM ET
New York City
- Visit - F&M Store**
Jul. 23, 2021 - 6 PM ET
New York City - 32 minutes



Customers expect in-store WiFi

In-store WiFi has become an essential component of retail strategies, as customers increasingly expect to be connected to retailers' websites, apps and social channels while shopping in-store.

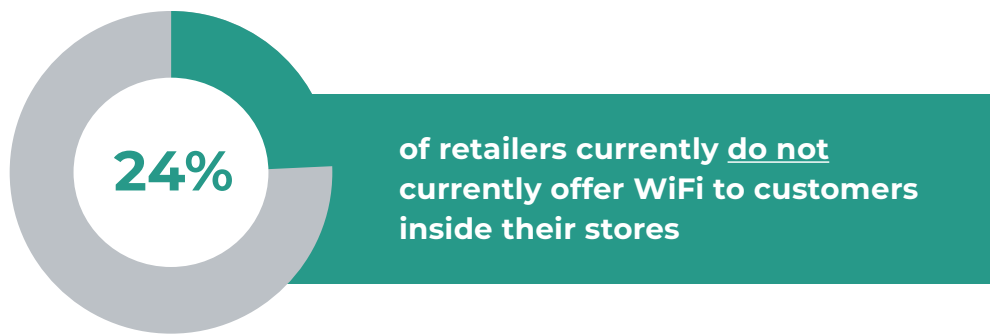
Industry research confirms WiFi and personalized brand interactions are, to date, a must-have for customers:

Industry research confirms WiFi and personalized brand interactions are, to date, a must-have for customers:

- More than **48%** of consumers use their mobile phones while shopping in-store^[1];
- Nearly **70%** of Millennials say they would be unwilling to give up WiFi access for a month^[2];
- More than **66%** of consumers indicate they would be annoyed if they didn't have access to uninterrupted WiFi^[3];
- **51%** of all customers across age groups are comfortable with companies applying relevant information about them in exchange for personalized engagement, with this figure as high as 64% for Millennials and GenZers^[4];
- **88%** of customers expect companies to accelerate digital initiatives following COVID-19^[5].

For these reasons, retailers should be dedicating significant time and resources towards optimizing their in-store WiFi strategies.

Notwithstanding the above, a new field survey conducted by Cloud4Wi has revealed that there are gaps in the current WiFi offerings of retailers, and very significant gaps in how in-store WiFi is used to bridge the digital/store divide.



Cloud4Wi - Field survey, December 2021

The field survey was conducted by Cloud4Wi at the end of 2021. Nearly 100 US stores were analyzed during the field survey, with the main goal of assessing the ability of retail brands to get the most out of their in-store WiFi.

Cloud4Wi's field survey results revealed that while more than 76% of retailers currently offer in-store WiFi, most of them are not using it strategically or to its full potential:

- Only **34%** use WiFi to acquire new text message and email subscribers.
- A mere **6%** promote their loyalty programs.
- **6%** promote adoption and retention of their mobile app.

Our field survey results highlight an undeniable achievement gap that must be overcome for retail brands to drive marketing success.

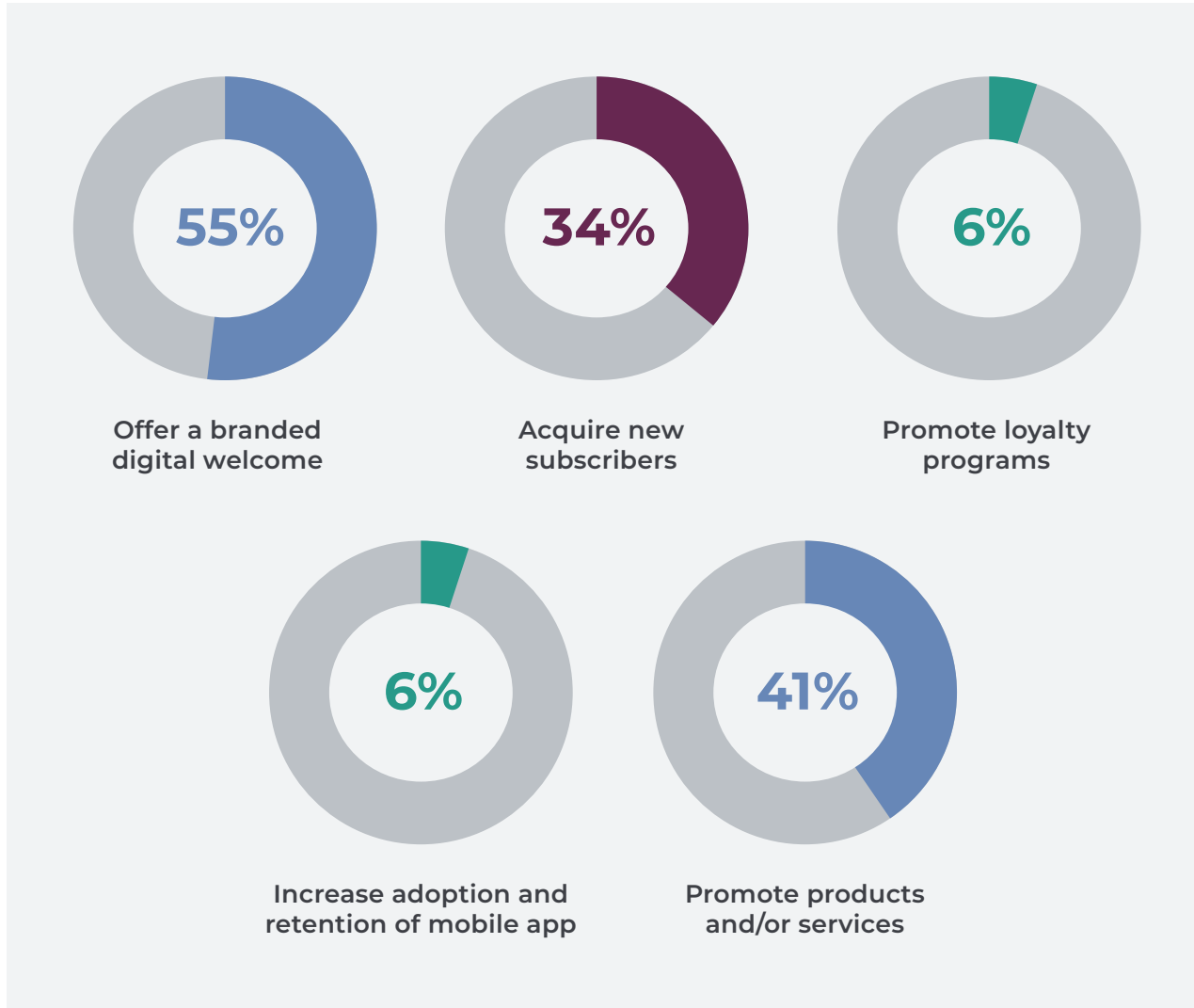


Fig.1 The in-store WiFi achievement gap
(percentage of retailers offering in-store WiFi)

Turn one-time store visitors into brand ambassadors

Today an omnichannel approach to retail is table stakes: omnichannel customers carry a 30% higher lifetime value compared to single-channel customers^[6]. By gathering customer data and leveraging it effectively through in-store WiFi, retailers can achieve the critical high-level goal of **building long-lasting relationships with customers.**

Recent industry research revealed that nearly 90% of American customers believe companies should expand their customer engagement methods and accelerate their digital initiatives following the COVID-19 pandemic^[5].

Therefore, a successful in-store WiFi strategy will start at the front door — both physically and digitally. One of the most important ways to tap into the benefits of WiFi is to create a virtual front door to the store — a place to digitally welcome the customer, while contextually obtaining information about customer demographics and behaviors that will lead to a more personalized experience.

Following a simple, one-time in-store WiFi sign-in via a mobile device, the “digital front door” will serve to welcome customers as they enter the store and offer them incentives to sign-up to promotional communications. This way, **retailers can strike a positive first impression that keeps customers pleased and coming back**, while providing advanced services throughout the customer journey.

These capabilities allow retailers to get an in-depth understanding of who their customers are and how they behave in their stores. This helps

brands redesign the way they interact with customers and, above all, it allows them to trigger interactions that are relevant and tailored to the individual customer.



Cloud4Wi - Field survey, December 2021

Cloud4Wi's field survey results revealed that only 34% of retailers currently use in-store WiFi to acquire new text message and email subscribers, and, therefore, empower one-to-one relationships with their customers.

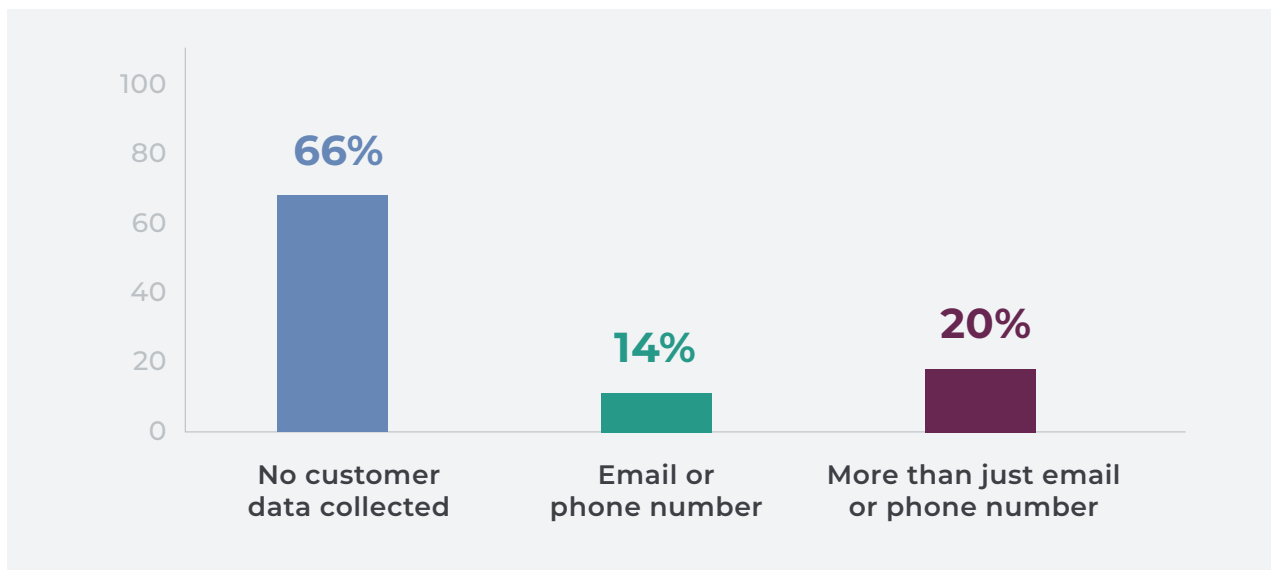


Fig.2 The missed business opportunity
(percentage of retailers offering in-store WiFi)

3 tactics for using in-store WiFi to drive revenue

- 1 Improve customer engagement through mobile interactions:** For opt-in customers, engagement using in-store WiFi can trigger **real-time promotional offers and loyalty rewards** when customers enter or exit the store, visit a specific area, or stay for a given amount of time. These offline moments are great indicators of a customer's propensity to purchase, and represent valuable opportunities to interact with your customers
- 2 Achieve better personalization by collecting customer preferences and opinions:** A data-rich in-store WiFi approach enables retailers to identify valued customers and deliver surveys at just the right moment, maximizing the probability of survey completion. This way, retailers can collect more information on their customers' preferences and opinions, which can then be used to provide a higher degree of personalization throughout the customer journey.
- 3 Create customer journeys based on online AND offline behaviors:** With the help of in-store WiFi, retailers can deliver more personalized offers to customers who may have started their journey on a laptop or mobile device before entering the store. Retailers can select the best time slots for delivering marketing communications, enticing customers to enter the store and consequently offer one-on-one promotions and messages to the highest-value cross-channel customers as soon as they arrive.

Taking in-store WiFi to the next level

New guest WiFi solutions are cloud-based, and studies show that the cloud is the industry-standard option for a variety of business applications. In fact, a recent survey reports that US companies had a higher cloud spend than ever last year^[7].

For the majority of stores that have a WiFi network in place, a cloud-based guest WiFi solution is a simple add-on. This cost-efficient solution can work with all varieties of enterprise WiFi infrastructure, is easy to install, and can be fully operational in just a matter of days. Stores that have no WiFi infrastructure will need more time for it to be installed, but will be pre-configured to offer WiFi to their customers starting from day 1 nonetheless.

In any case, by implementing a guest WiFi solution, retailers can tap into the power and flexibility of in-store WiFi services to achieve:

- A digital front door that bolsters brand recognition while collecting customer data;
- Understanding of customers' in-store behaviors;
- Proof-of-concept for marketing initiatives; and
- Rollout of new business strategies with integration of existing martech stack

Adoption of a new guest WiFi solution can be implemented in a phased approach, serving the specific needs of individual retailers and matching their specific bandwidth. Before choosing a guest WiFi solution however, the following questions should be asked and answered effectively by the retailer's IT and marketing leaders:



Information technology

- Does the solution help manage our business?
- Does the solution meet our compliance and security requirements?
- Will we own our the data collected?
- Does the solution help us provide a customizable welcome page for the marketing team to leverage?
- Does the solution help us make WiFi onboarding a better experience for the customer?



Marketing

- Does the solution help us grow our subscriber lists?
- Does the solution enable us to reveal and collect customer behaviors in our stores?
- Does the solution provide out of the box marketing tools to test a broad range of programs before full-scale deployment?
- Will the solution integrate with our martech stack and help us drive revenue?

Case in Point:

Fashion retail industry leader unlocks customer offline data

A global fashion chain with over 700 stores understood that to remain relevant in today's fashion retail world, adopting the right technology solution to create personalized customer journeys would be key.

The company wanted to learn more about how customers behave in their stores, creating 360-degree customer profiles to cater more relevant message campaigns, while also revealing real-time moments in the customer journey to trigger messages at the right time and place.

The retailer identified in Cloud4Wi the perfect solution for ramping up their WiFi network, allowing them to provide seamless connectivity and digital services in their stores, while also helping marketing create a comprehensive 360-degree customer view.

To promote their marketing programs in-store, the retailer launched perfectly branded, localized WiFi onboarding experiences that incentivize customers to connect and subscribe through a 100% consent-based approach.

The customer offline data revealed with Cloud4Wi (email address, phone number, demographics, and in-store behaviors) is then managed and activated with native integrations, allowing the retailer to sync customer offline data seamlessly to their CDP. In fact, Cloud4Wi also checks in real-time whether a customer has already subscribed to the company's marketing programs, presenting a different onboarding experience accordingly. This process is essential to avoid contact duplication, and thus maintain clean and actionable data-sets while also contextualizing in-store digital journeys to specific customers.

As a result, the retailer is now able to acquire 2,600+ customer subscriptions per week across their stores globally, while also revealing invaluable customer offline data. Having unlocked visibility on real-time, location-aware moments, the retailer is also able to trigger perfectly targeted messages - to the right segment, at the right time and place - in order to maximize conversion.

Preparing for implementation

Traditionally, retailers roll out extensive projects with large budgets. These projects often have an impact across different teams, namely IT and marketing. This further complicates decision-making.

In-store WiFi is neither costly nor complex, but it does provide cross-functional benefits. It also impacts the customer's entire digital experience. Forrester warns of the **"ROI Roadblock"** in a recent report: *"It's inevitable: Someone will ask you to justify a capital expenditure or operating expense with a calculation of the return on investment. This is fine for smaller efforts— e.g., to compare personalization solution A against personalization solution B. But for your entire digital experience platform effort, ROI is an educated estimate at best. Instead of ROI, you should expect and demand to see a set of business execution milestones that will limit or delay future investments in digital experience delivery."*

With in-store WiFi as the foundation for digital transformation, retailers are able to move quickly without breaking the bank. Implementation is made easy thanks to compatibility with the underlying network already in place, and the message to the retail industry is loud and clear: just do it.

Overcoming the retail digital divide

While most retailers offer free WiFi in their stores, they are not taking advantage of the business opportunities offered by these solutions. Just 32% of retailers are using in-store WiFi to grow their subscriber lists, and only 6% are using it to increase the adoption and retention of their mobile app.

The facts are indisputable: customers expect true omnichannel experiences at every touch point with the brand.

Using Cloud4Wi, you can leverage your in-store WiFi to tap into the world of customer offline data, and deliver the benefits of the touch-and-feel experience typical of the physical store, while also delivering more personalized interactions online.



Schedule a demo today to learn how your company can close the online/offline divide with Cloud4Wi.

[Talk to us >](#)

References

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About Cloud4Wi

Cloud4Wi is changing the way companies connect with customers.

Our comprehensive location-based suite provides the ultimate tools for delivering outstanding customer experiences, helping companies methodically drive loyalty and revenue.

Leading innovative companies rely on Cloud4Wi – including Armani, Burger King, Campari Group, Carmila, Guess, Prada Group, The Cordish Companies, and Valentino.

Cloud4Wi is headquartered in New York with offices in San Francisco, Pisa and Milan.

