

O2O

MOBILE COMMERCE TREND



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 - ✓ IoT Smart Commerce
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 - ✓ Smart City and Living Lab. Validation
 - ✓ ITeS (ICT-enabled Services)
 - ✓ Object Oriented Software Engineering

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Cyber Impacts on Brick-and-Mortar

1. Brick and mortar stores are becoming showrooms

Customers coming into a physical store, touch and feel the merchandise then jump online to make the purchase.

2. Lots of retails and chains closed down or filed for bankruptcy

Target Canada has closed its 133 stores in Apr. 2015.

RadioShack, U.S, wireless and electronics stores, files for bankruptcy in Feb. 2015.

3. Online retail is growing much faster than stores sales

According to U.S. Commerce Department, online sales grew 15.1% in Q1 2016 and accounted for 11.1% of retail sales.



Physical Channels Will Never Die

1. In-store revenue represents 90% of total retail revenue

- # Ecommerce is growing fast and its revenue growth seems big, but it represents only 10% of retail revenue.
- # Online is typically hyper-targeted purchasing

2. Shoppers still prefer In-store over online shopping

- # 65% avoid delivery fees
- # 61% like trying on the item before buying it
- # 60% want to have the item immediately
- # security issues

3. The growing use of mobile devices in-store is transforming the shopping experience

According to Google, 84% of shoppers with smartphones use their devices to help shop during in-store; shoppers use smartphones each step of the way from pre-purchase research to sharing latest purchases with friends on social media.



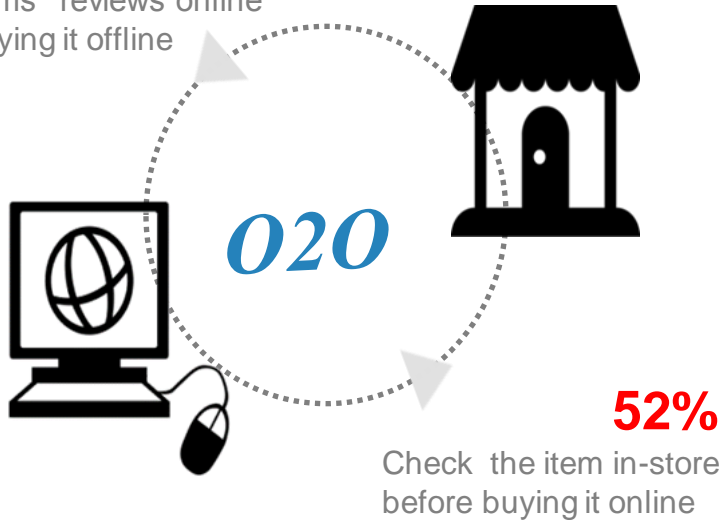
Share a Selfie, get feedback, then buy

Digital Revolution are Changing Consumer Behavior

Both **showrooming** (customers browse in store and then buy online) and **webrooming** (customers research online and then buy in-store) are the trend.

68%

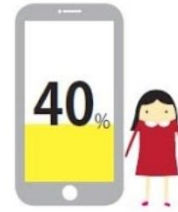
Check items' reviews online before buying it offline



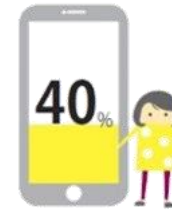
52%

Check the item in-store before buying it online

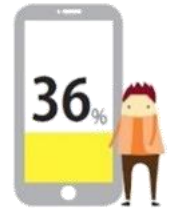
Why Shoppers Use Mobile Devices in-Store?



Price Comparison



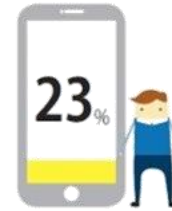
Asking for Advice



Photoing



Scan Barcode/
QRcode



Buying on App



Buying via Website

Source : Nielsen, GFK

O2O Commerce is Becoming Important

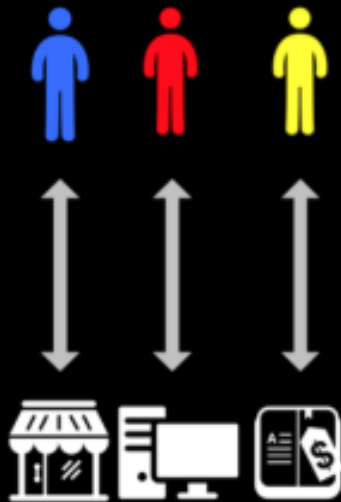
Networking online and offline grow your circle of influence

Single Channel



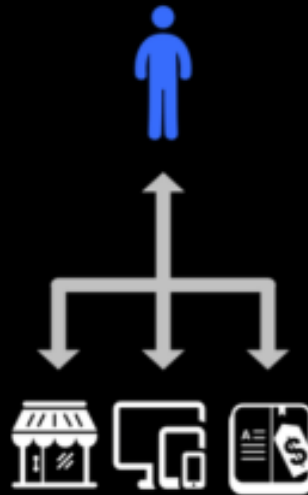
1995

Multi Channel



2008

Cross Channel



2011

Omni Channel



(Connected Retail)

2015+

Using O2O Strategy to Improve **in-Store** Customer Experience

What Do We Do

What Kind of Solutions We Can Provide You!

Create Friendly Environment for Mobile Commerce

First of all, retailers need to embrace free Wi-Fi, build wireless power base in-store to improve the customer experience as well as capture information about customer behavior.



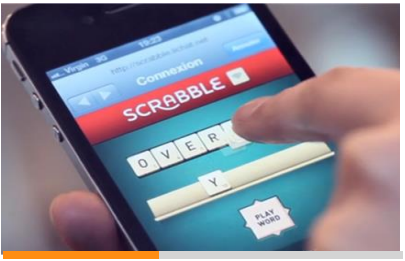
Emart Flying Store

Free Wi-Fi Balloon makes people do shopping



Starbucks Coffee

By February 2002 the service at Starbucks was operating under the T-Mobile



Scrabble Wi-Fi Apps

With the help of Ogilvy Paris, Scrabble set up WiFi hotspots in areas of Paris where normally don't have WiFi connections.

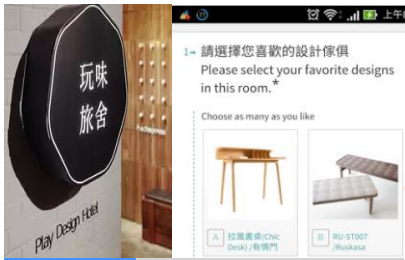


InforCharge Co.

#1,000 pieces have adopted in Taiwan (Everrich duty-free shop, E-DA world, Le Meridien Taipei, etc.)

Winner of "Ideas Show - Connect to Retail 4.0"

#Member of IoT Commerce Alliance



Play Design Hotel

Access hotel's Wi-Fi, guests can browse the Taiwan designers' work that furnished in your room and hotel.

#Member of IoT Commerce Alliance

#Smart Shopping District X Wireless Power Base

資策會攜手宏達電建構無線充電智慧商圈

中時電子報 - 2016年6月21日

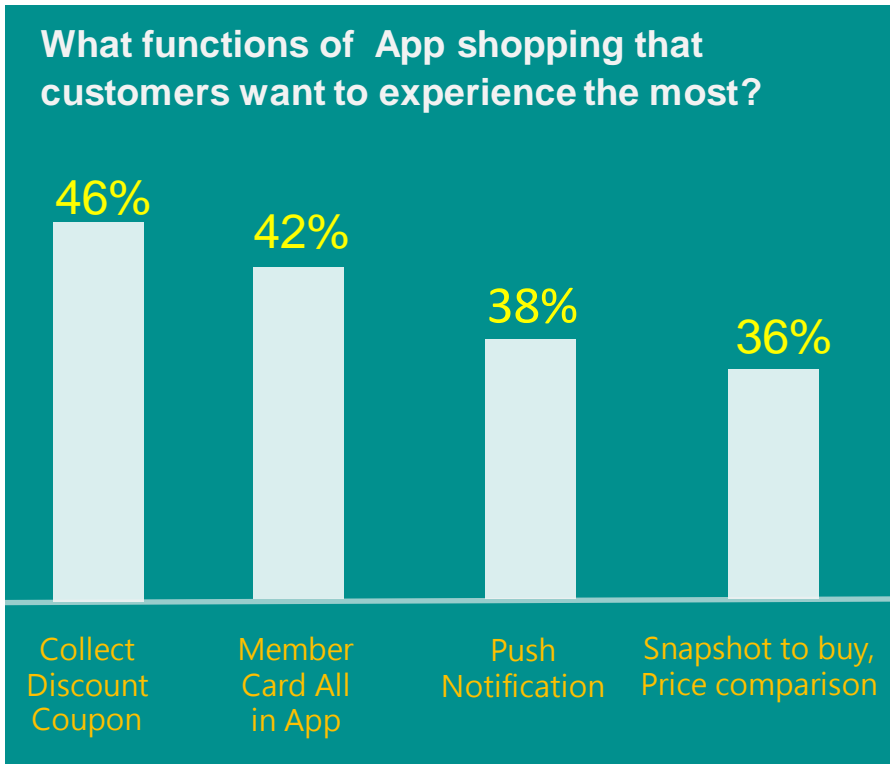
無線充電聯盟 (WPC) 全球年會無線充電展示區，吸引眾多人潮體驗。... 透過經濟部技術處的指導，資策會與宏達電合作，目前已在全家便利商店鴻啟 ...



Leverage a Mobile App to Engage Customers and Drive Loyalty in-Store

Apps can help customers find their nearest stores, check inventory, navigate in-store and scan barcodes for extended product information and customer reviews.

What functions of App shopping that customers want to experience the most?



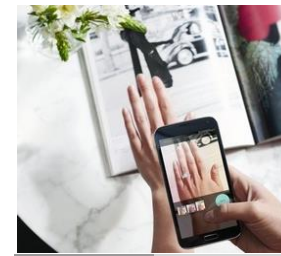
Source : Yahoo! 奇摩2015電子商務紫皮書



Unnqlo
Join online Luck Line campaign, get real discount coupon



iCheck
Help harried shoppers find the best deals in-store.
[#Member of IoT Commerce Alliance](#)



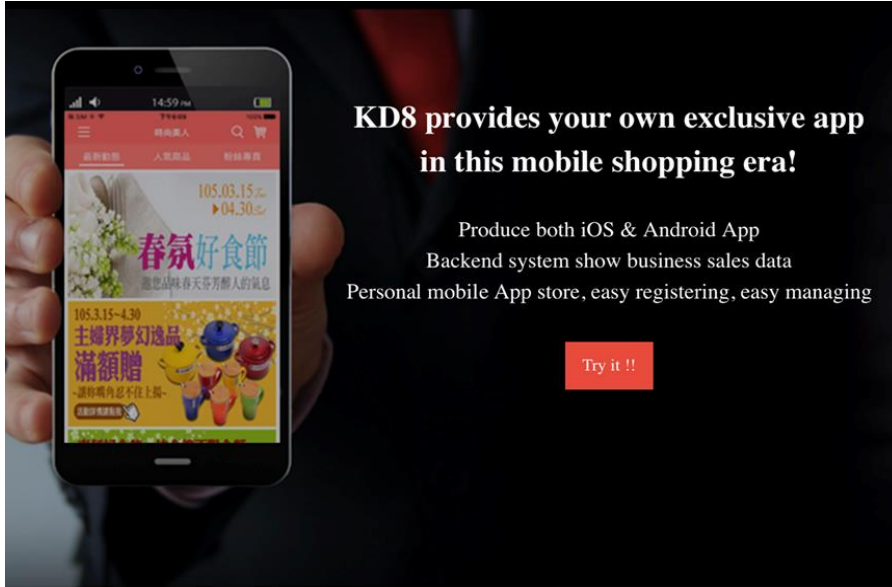
Tiffany & Co.
#virtually test out rings #share with friends and family #without having to leave home



FamilyMart Taiwan
eLoyalty Card in App, easy to collect reward points
[#Member of IoT Commerce Alliance](#)

III's APP Solutions & Products

APP Auto-Generator



KD8 provides your own exclusive app in this mobile shopping era!

Produce both iOS & Android App
Backend system show business sales data
Personal mobile App store, easy registering, easy managing

Try it !!

KD8 Mobile Shopping Service

- Create your iOS & Android shopping App store
- Backend system to manage product and sales data
- Fast, easy and direct B to C sales via own App store
- Login at <http://kd8shop.cloudapp.net/shop>



QQ Restaurant Service

- Quick queue App for iOS & Android
- Waiting system backend support
- Waiting time notification
- Online menu



Snap-to-Buy

Immediate visual image search and image content shopping recommendations.

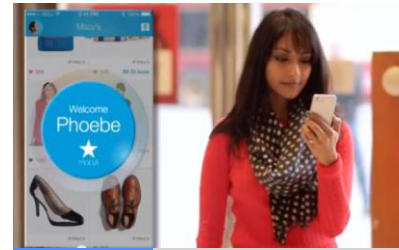
Use Beacons to Improve Customer Experience

Beacons are small devices that use Bluetooth to communicate with a customer's smartphone. They can be used to provide location-targeted ads., help customers to find products on the shop floor, and track a customer's movement across the store.



Service as Physical Cookie

Beacons in 2016 are projected to be 10 times higher than 2015, for a total value of 44.4 Billion US dollars



Macy's

Macy's embraced beacon technology and adopted the ShopKick App for 2 years



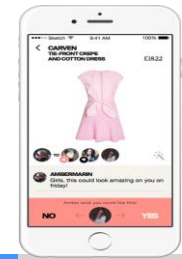
McDonald's

McChicken sales increased 8 percent and McNuggets increased 7.5 percent.



MBL

#tracking #Navigation #Push Notification
#Upgrade Service



Knomi App

While users pass by the boutiques which have installed iBeacon, push notifications to users has 'collected' specific items on App

#Smart Shopping District @ Ximending

- ✓ 200 stores join
- ✓ Over 10,000 App downloads (four-times campaign)
- ✓ Over 50,000 users participated



Interactive Digital Signage



Live Broadcast RC Artist Shopping at Ximending



Live via Interactive Digital Signage to Sell Exclusive Items



Marketing Campaign

Beacon-Related Solutions of III

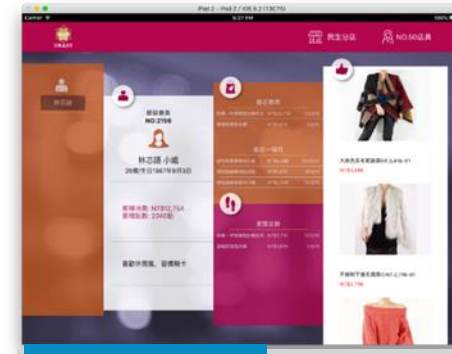
「萬點Beacon千家店計畫」 is a plan that offer physical channels and SI operations to apply beacon device, and help them to implement Beacon Management Solution which is developed by III.

Beacon Deployment & Management



- An easy-deployed and multi-system managing Beacon platform
- Easy-Deploying via APP.
- With advertising notification function.

Smart VIP Assistant for retail



Instore Tracking & Navigation Service



Stores will Become Like Museums

Combining various kind of technology equipment, such as Virtual Reality(VR), interactive electronic billboards etc. These technology devices not only create the experience economy that different from the past but - most importantly - bring the feeling of novel and pleasure to customers.



In-Store VR Experience

Tommy Hilfiger's fall 2015 catwalk show is now available to watch via a virtual reality experience in select stores around the world



Future Supermarket

The customers only need to point to the products they wanted to know so that the display screen will show the detail information of that product. It will transparently report the whole food supply chain and its possible receipts, utilizing the robotic arm to decorate merchandise.



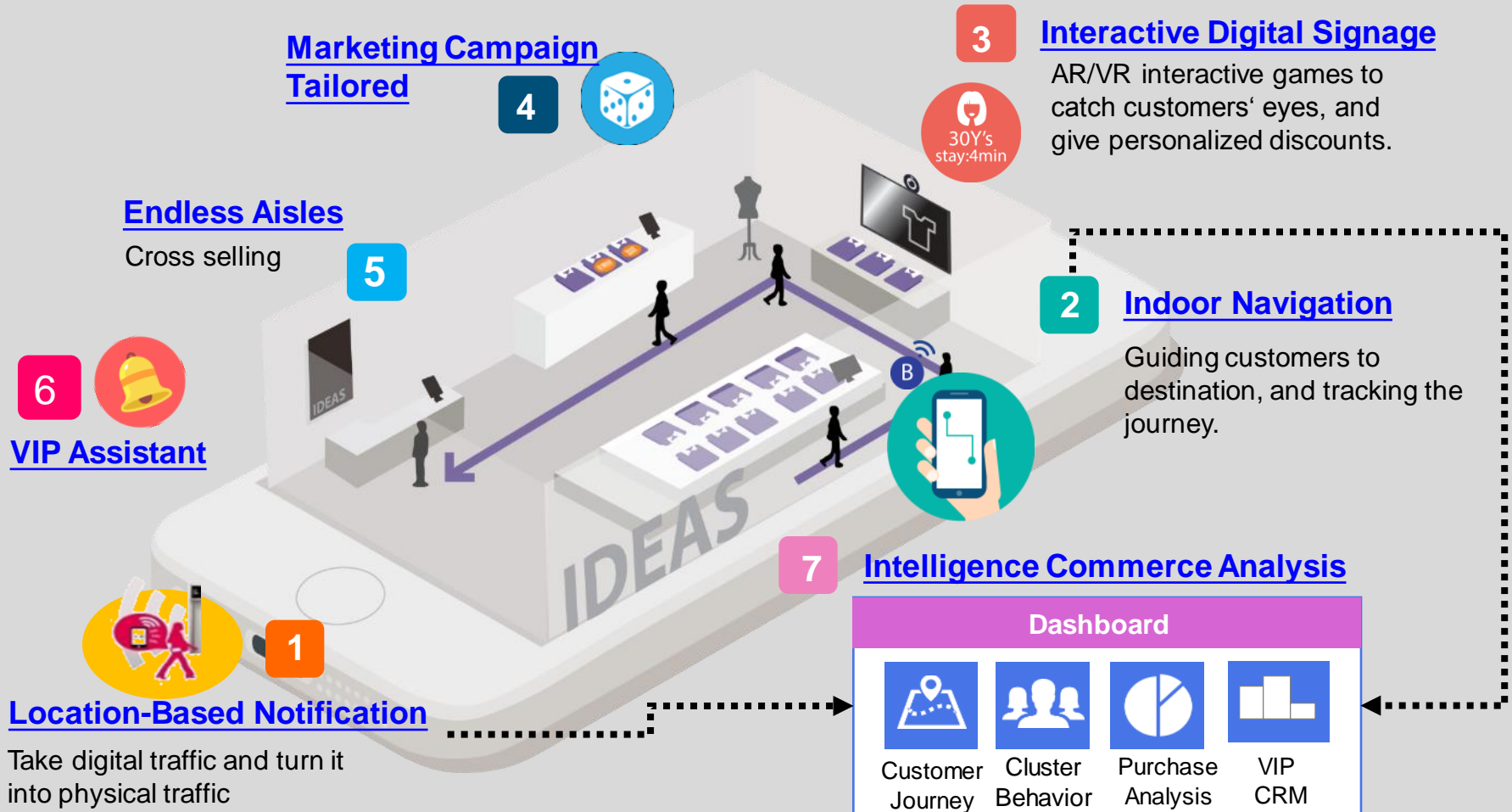
Virtual Fitting Room

Intelligent Hanger

Music on Demand

Customers-Centered O2O Storefront Solution

Co-Develop Advantech Intelligent Retail Solutions



Conclusion

- **You Will Never Know Who is your Competitors**

#Google #Apple #Amazon #Facebook #Uber #Airbnb

#Pokémon GO

- **Revenue = Flow * Hit Rate(CPC/CPL/CPA)*Price**

- **IoT Smart Commerce**

- ✓ Government : Infrastructure + Ecosystem
- ✓ Private Sectors: Attitude(No Trial, No Success) + Speed + BM
- ✓ ICT Provides: Application + IoT + Cloud +BigData + VR/AR

