



Retailers and Restaurants are embracing advanced guest Wi-Fi to boost their business

February 2016

In this connected world, customers are depending increasingly on their smartphones for information about the world around them. This dependence creates an expectation that the places they visit to shop and eat have Wi-Fi. Many retailers and restaurants already offer guest Wi-Fi. Now, they need to leverage it to advance their business goals.

Table of contents

5	Executive summary
6	Revolutionizing in-store shopping
9	Restaurants no longer Wi-Fi laggards
10	The importance of a proven and comprehensive advanced guest Wi-Fi platform
11	Advanced guest Wi-Fi gives businesses new tools for understanding and engaging customers



Executive summary

Retailers and Restaurants are embracing advanced guest Wi-Fi to boost their business

Consumers are increasingly relying on Wi-Fi as part of their shopping and eating experience. In turn, retailers and restaurants are increasingly adopting guest Wi-Fi to satisfy their customers' expectations. However, although many businesses offer guest Wi-Fi, few are leveraging it as part of an omnichannel strategy.

This paper explains why it is important for businesses to embrace guest Wi-Fi and what capabilities they should look for when selecting an advanced guest Wi-Fi platform.

With it, retailers and restaurants have a firm foundation for nurturing brand loyalty, increasing customer satisfaction, and gaining a better understanding of customers' behaviors and preferences.

Revolutionizing in-store shopping

The adoption of smartphones is revolutionizing the retail industry. The brick-and-mortar retailers that are best equipped to engage shoppers on their smartphones are emerging as big winners. That's because more consumers than ever before will be using smartphones to assist their shopping journey or share their experience with family and friends. The number of US shoppers who used their smartphone to make a purchase climbed over 75% in 2015 according to InReality¹ with similar numbers reported in developed

markets in Europe and Asia. Of those shoppers who made purchases on their smartphone, 50% said they plan to use their smartphone even more in 2016 for shopping. As a result, shoppers are expecting to be able to connect to a good Wi-Fi network while in the store. As the following figure shows, retailers consider Wi-Fi one of the most valuable technologies.

According to BI Intelligence, 60% of consumers² say they would still rather shop in stores because it gives them the ability to touch and feel the product. Savvy retailers are leveraging this preference, by providing Wi-Fi to ensure an optimal in-store shopping experience. The goal of omnichannel retailing is to create a consistent journey for consumers throughout their shopping experience. Wi-Fi is a powerful enabler for omnichannel retailing to engage and track the shopper journey inside and around the store. This trend is driving double-digit growth of retail hotspots.⁴

What do mobile shoppers want most?

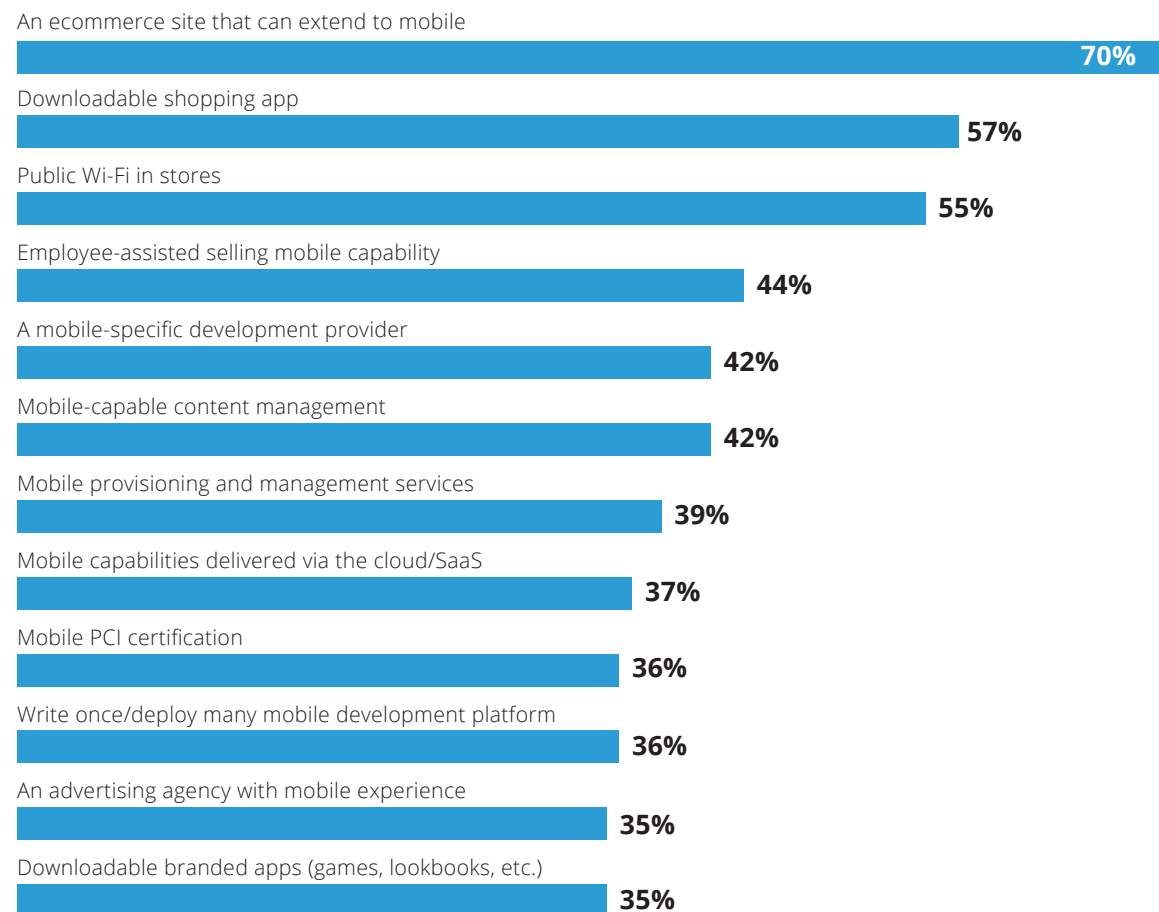
A research from CFI Group⁵ has identified that shoppers have these top three desires while in the store:

- 60% check online pricing
- 63% check pricing at other local stores
- 52% read online reviews and recommendations

This new in-store behavior means that guest Wi-Fi has become a basic necessity. But it also represents an expenditure for the business which must learn quickly how to leverage this infrastructure to improve its bottom line.

Mobile Technologies Considered Very Valuable by Retailers Worldwide, Jan 2014

% of respondents



Source: Retail System Research (RSR), "Mobile in Retail: Reality Sets in" sponsored by SAP, Feb 25, 2014



Multichannel retailing or omnichannel retailing is the use of a variety of channels in a customer's shopping experience, including research before a purchase. Such channels include retail stores, online stores, mobile stores, mobile app stores, telephone sales and any other method of transacting with a customer.³



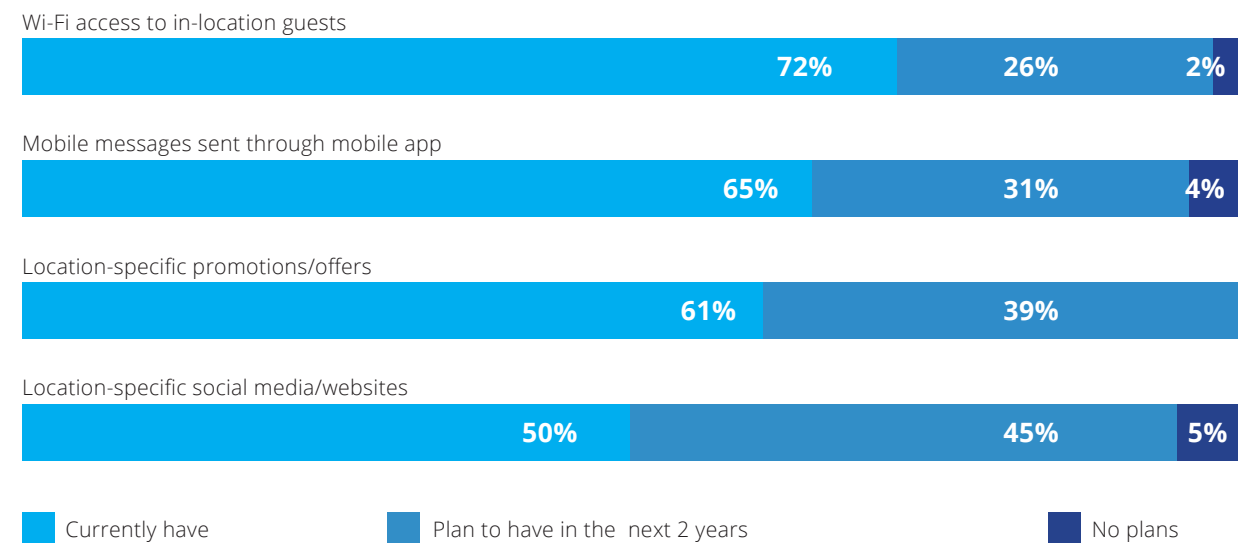
Restaurants no longer Wi-Fi laggards

The restaurant industry is also catching up with guest Wi-Fi. Historically, restaurant technology upgrades have targeted ways to streamline operations and steadily increase efficiencies. Now, funding priorities are changing, and improving customer engagement with guest Wi-Fi, has moved higher on the list.

Guest Wi-Fi adoption rate is at 72%

The need to offer amenity Wi-Fi has become a basic necessity in restaurants too because patrons increasingly expect it. Chains and fast food have led the way, followed by independent restaurant owners. For example, as the figure below illustrates, US Wi-Fi adoption among restaurants now exceeds 72%. Similar numbers can be found in developed markets in Europe and Asia.

Current vs. Planned Use of Select Restaurant Customer Engagement Tactics/Technologies Among US Hospitality Companies, Jan 2015
% of respondents



Note: n=90

Source: Edgell Knowledge Network, "Hospitality Leads The Way in Location-Based Customer Engagement" sponsored by AT&T, Feb 10, 2015

Patrons now expect a good Wi-Fi connection at any given time when eating. In turn, restaurants are starting to use their advanced guest Wi-Fi to:

1. Build qualified marketing lists
2. Collect insights into who their customers are, and their behavior
3. Engage further with their guests

Business efficiency and customer engagement are driving tech projects

Restaurants are increasingly adopting comprehensive advanced guest Wi-Fi platforms. These platforms help boost customer loyalty, improve customers' digital journeys, and ultimately make the best use of these free Wi-Fi access services. Some of the features of advanced guest Wi-Fi platforms include splash advertising, captive portals and push messages such as offering coupons, or simply pushing a survey all the way to analytics services.

Advanced guest Wi-Fi gives businesses new tools for understanding and engaging customers

The trend of using mobile devices while shopping and eating is becoming more commonplace. Advanced guest Wi-Fi is a powerful and new outlet for businesses to bring the digital experience inside stores and restaurants. With it, retailers and restaurants have a firm foundation for nurturing brand loyalty,

increasing customer satisfaction, and gaining a better understanding of shoppers' behaviors and preferences.

The collective benefits of an advanced guest Wi-Fi network will serve to grow their business and their brand.

The importance of a proven and comprehensive advanced guest Wi-Fi platform

Although many businesses offer guest Wi-Fi, few are leveraging it as part of an omnichannel strategy. That's a missed opportunity because, when combined with the right platforms, guest Wi-Fi enables businesses to provide customers with a convenient, seamless retail experience and in turn, reach of more intimate knowledge of who these customers are and how they behave while in the store.

When selecting an advanced guest Wi-Fi platform, businesses should look for these important capabilities:

- Central Management provides control of every aspect of the guest Wi-Fi strategy in the location. This includes Wi-Fi onboarding, analytics, and marketing.
- Multi-level Management allows delegation of full or limited capabilities to select locations. This enables the central platform administrator to decide what each single location can manage autonomously.
- An Open Environment means businesses can leverage existing infrastructure and build custom applications to address specific needs. For instance, businesses could feed their marketing automation tools, CRM platforms, and business intelligence

systems with valuable data collected through their guest Wi-Fi.

- Flexible Cloud Deployment allows the selection of public, local, or private cloud depending on applicable requirements or regulations. The cloud architecture eliminates the need for each store or restaurant to have hardware and staff with the technical skills to operate it.
- Hardware Independence can be critical for businesses that have infrastructure that varies by vendor or model - perhaps because an upgrade is in process or because there are multiple locations spread across various geographies.
- Analytics Tools permit businesses to learn more about customers, even if they don't connect to the Wi-Fi network, while also evaluating the performance of the Wi-Fi services.
- Marketing Tools enable businesses to engage with customers directly, during and after their shopping visits, by delivering relevant and personalized content.

References

1. The 2015 Reality of Retail Report <http://www.inreality.com/resources/report/20150331/>
2. BI Intelligence Report report on retail 2015
3. IT1me.com, Multichannel Retailing, http://www.it1me.com/learn?s=Multichannel_retailing
4. Maravedis-Wi-Fi 360.
5. Holiday Retail Spending Report 2014 by CFI Group



About the author



Adlane Fellah is the CEO of Maravedis a leading wireless analyst firm. Mr. Fellah, authored various landmark reports on Wi-Fi, LTE, 4G and technology trends in various industries including retail, restaurant and hospitality. He is regularly asked to speak at leading wireless and marketing events and to contribute to various influential portals and magazines such as RCR Wireless, 4G 360, Rethink Wireless, The Mobile Network and Telecom Reseller.

About Cloud4Wi



Cloud4Wi delivers the industry's leading advanced guest Wi-Fi platform, bringing business value for existing Wi-Fi infrastructure to large retail chains, restaurants, shopping malls and other similar venues. The cloud-based open platform enables businesses to promote their brand, and to learn about and better engage their customers - connecting more than 45 million mobile users across over 15,000 locations in more than 80 countries. Distributed through partners, customers include Aliansce, Armani, Burger King, Clarks Shoes, Ermenegildo Zegna, Prada, Ferrovie dello Stato Italiane, Enforta and Telecom Italia. Spun-out from a carrier-focused systems vendor in 2013, the company is based in San Francisco, and has offices in London, Paris, Milan, Pisa and Singapore.



For more information, please contact us:

info@cloud4wi.com

+1 415 852 3900

or visit cloud4wi.com