

The Mobile Future of Retail

BY SARAH LINNEY

An innovative, location-based marketing application for mobile phones is set to revolutionise the retail industry.

The app, simply titled *Shuuga*, is a creative content-management application platform for geo-location mobile phone advertising. Designed for iPhone and Android devices, and suitable for both bricks-and-mortar and online retail, Shuuga provides Australian retailers with an inventive, relevant, direct, location-based channel to their customers.

Sean Smith, CEO and co-founder of Onit Media, describes the Shuuga app as an intelligent mobile billboard that will change the face of retail marketing.

"Shuuga is the most advanced, personalised, feature-rich, location-based mobile advertising technology available in the Australian market.

"Shuuga enables any merchant to advertise new products, sales, coupons, special offers, competitions or news to customers," Sean says.

"Retailers have the ability to add new stores, publish adverts and access reporting in real time via an online interface. This means that merchants have full control of their adverts because there is no lead time waiting for content to be published, and no reliance on third parties. The implications of this are massive for the retailer ... full control of targeted, geo-location-sensitive, relevant advertising.

"The rapid global adoption and increasing power of the Smartphone makes it the perfect, personalised pocket-billboard for retailers and shoppers. Shuuga allows users to perform customised searches for retailer offers in their vicinity at any time, or they can build their own set-and-forget list of favourites."

According to Sean, Shuuga has four main functions available.

"The first function is the most basic, but still very useful to the shopper: Shuuga always knows the user's location. Users can update, sort or filter offers based on their preferences. For example, a user might only want to see offers that are within 500 metres or 10 kilometres of where they are. Or a user may only want to view deals that are in the food-and-beverage or women's fashion categories.

"Being able to pinpoint a Shuuga user's location allows the app to provide only relevant, location-based content based on the specified user preferences. The key concept here is that the user is in control and 'pulls' content when they want it.

"The app's second, third and fourth functions embrace a set-and-forget user-preference methodology. The user tells the app what they prefer; the app then digests these preferences together with the user's location, and 'pushes' relevant content back to the device.

"Users are able to add stores, categories and retailers to their favourites list then attach a 'ring-fence' distance to each.* When the user is within the 'ring-fence-range' for that retailer or category, if there are any offers at that time, the user is immediately notified with an advert on their Smartphone.

"For example, a user might want to be notified when they are within 2 km of a women's shoe sale or within 5 km of a household furniture offer, or perhaps 500 metres from their favourite fast-food chain. The user manages their favourite categories, retailers and ring-fence settings for each, and Shuuga does the rest, serving relevant adverts to the user's mobile device."

Shuuga also embraces two-dimensional quick response (QR) code technology. Via the online portal, merchants are able to generate unique QR codes for each store's location and place these in store. By simply scanning the QR code from within the Shuuga app, a specific store location is added to the user's list of favourites. This is an ingenious, quick and simple method for users to 'collect' all their favourite stores within the app, with minimal effort.

"We embrace the use of the more 'intelligent' QR barcodes in a number of ways," Sean says. "Store-favourite management is the first of these, where users can scan a QR code from print or digital media and add the store to a preferred list. By doing so, they subscribe to receive content from this retail outlet. We have a number of road-mapped features that further leverage the benefits of QR codes, and these will be released in the coming weeks."

He continues: "One of the key merchant benefits of Shuuga is the immediate evaluation of how effective a campaign has been. A suite of online reports allow merchants a real-time, granular view of all their advert and customer-interaction data.

"This layer of customer intelligence is an invaluable asset for retailers in gaining an intricate understanding of their customers' movement patterns, interests and social network interactions."

Shuuga is affordable and is billed via monthly subscription, based on the number of store locations. It is neither a pay-per-click model nor one that carves out a transaction share of revenue. As such, it is priced to suit large retail chains, franchises and multinationals, as well as smaller traders.

Shuuga is also available to larger, multi-store retailers as a fully branded and managed white-label solution.

Sean comments: "The level of interest we have received for white-label Shuuga implementations has surpassed our expectations. We have a number of branded solution deployments currently under way in the United States of America and South Africa, and a pipeline of new business interests in Singapore, Indonesia, Australia, the United Arab Emirates and Thailand.

"Shuuga runs as a stand-alone application platform with no merchant point-of-sale (POS) or other system-integration requirement. This makes the Shuuga application very attractive to merchants. The speed and cost at which an implementation can be completed is impressive."



When asked if the Shuuga application platform is similar to Groupon, Sean comments: "While daily-deal sites like Groupon facilitate irregular, large discounts to smaller retailers, in return for a revenue share, Shuuga is a 180-degree spin on the space, in that we serve up regular, small discounts to all retailers for a small subscription fee, and importantly, the content served is relevant to the interests of the user's preferences and location."

A further layer of functionality, soon to be released, is the capability for Shuuga to generate, serve, manage and close the loop on vouchers or coupons.

"Research shows that mobile vouchers are 10 times more likely to be redeemed than traditional equivalent paper offers," Sean advises. "This feature is on the 'merchant high-demand list' and is scheduled for go-live in the next major Shuuga version release."

Onit Media was recently acquired by Sydney-based loyalty company, Endless Rewards.

"We have an angle that will revolutionise traditional card-based loyalty programs by replacing plastic cards and integrating their equivalent functionality into the Shuuga application platform," Sean declares.

"At the moment, consumers generally need one card for each of their loyalty programs. Users collect loyalty points, but often have no idea of what their balance is, or what the value of their points translates to in real consumer-currency terms.

"Shuuga will allow the Smartphone to become a replacement for all plastic loyalty cards, and further give the user a real-time window into their individual loyalty accounts including balances, transaction history and more. This work-in-progress is set to revolutionise retail loyalty in Q1 2013. Watch this space!

"Then, at the end of the Shuuga rainbow is what some merchants regard at the real pot of gold – the new gold – data. Shuuga always knows a user's location. For every logged event, we track coordinates with a time-and-date stamp. Each time a user views an advert, shares content via SMS, email, Facebook or Twitter, clicks a buy-now button, adds a store, retailer or category to their favourites list, we log this data on our servers, allowing us to build powerful user-profiles, generate intelligent commute routes and movement heat-maps. This data is of huge value to merchants."

Shuuga is very impressive. The application is well designed, feature-rich and easy to use on both iPhone and Android devices. Content served is relevant and well presented. Shuuga's road-map of planned features is equally impressive, and this application-platform retail sweetener looks set to mobilise and dominate the marketing initiatives of savvy retailers. ■

For further details, see the Shuuga website: shuuga.com

* Ring-fence settings apply only to categories and retailers not stores