In the age of the digital customer, retailers find themselves in an unprecedented competitive environment.

Up against online giants and facing pressures to cut costs, brick-and-mortar retailers are challenged with delivering an in-store experience that is aligned with the continuing shift in consumer preferences, mobile behaviors and high expectations. Retailers that embrace WiFi access for employees and customers can tap into new forms of engagement that can complement modern shopping habits and create a competitive advantage.

Key takeaways

- Mobile forces retailers to refocus on engagement
- In-store WiFi unlocks unprecedented opportunities for retailers
- Retailers face barriers in consistency, cost and compliance
- Secure WiFi solutions help deliver a satisfying experience

Internet users now own smartphones

80% Of shoppers have used their device to help them shop

77% Gen Z-ers say WiFi is critical to their experience

90%
Smartphone = retail game changer

The mobile invasion isn't coming. It's already here. Eighty percent of internet users now own smartphones\(^1\), and smartphone-carrying shoppers are leading the way in retail transformation.

A recent survey by mobile solutions firm DMI found that 77% of U.S. shoppers have used their smartphone in-store to help them shop.\(^2\) Unsurprisingly, the preference for connected devices is highest among the youngest consumers. Millennials (those born between the early 1980s and the early 2000s) are also more digitally oriented, more attuned to social media and more willing to share information electronically than age groups before them. They derive more information and efficiency from online resources than ever before, and they expect the retailers they buy from to align with them. According to a recent PwC report, more than 80% of millennials use their mobile devices in-store—versus 55% of shoppers over 35—to access digital coupons, research products, check prices and pay for purchases.\(^3\) And the younger they are, the more digitally savvy. In fact, more than 90% of teens and young adults (Generation Z-ers) feel that a strong WiFi signal is a critical component of their overall shopping experience.\(^4\)

Retailers that give these young and increasingly powerful consumers the information and personalized digital experience they’re looking for have a significant advantage in delivering on expectations and building brand and customer loyalty.

Opportunity for unprecedented customer engagement

The shift to mobile presents a lucrative opportunity for retailers to deliver the modern shopping experience consumers have come to expect. With fast, reliable WiFi connections and floor personnel armed with tablets and appropriate apps, retailers can deliver highly meaningful customer and employee conveniences, including:

**Mobile product lookup**
When a store representative says to a customer, “I’ll see what we have in the back,” or “I’ll get a brochure from the office,” what follows is temporary disengagement. Effective mobile customer service apps that deliver inventory and product information to tablets help store associates remain with the customer for an uninterrupted engagement—increasing floor efficiency and purchase likelihood.

**Line-busting checkout**
No customer enjoys waiting in line just to pay, and some will even abandon purchases if the wait appears to be too long. Mobile POS (point of sale) takes the transaction directly to the customer who is ready to check out, reducing or completely eliminating wait times.

**Employee training**
Tablets assigned to floor personnel have usefulness off-floor as well. Individual, online training can be conducted on tablets in a break room or other suitable location as an effective alternative to having employees watch videos on a store’s main floor or in a stockroom.
Extending the customer experience

These examples focus on WiFi applications delivered to tablets carried by store associates, but there’s an opportunity to engage customers further by extending mobile services to customers’ smartphones. For example:

**Guest WiFi with social media integration**
In exchange for access to high-speed guest WiFi, customers may reward your brand with a “Like” on Facebook or a follow on Twitter. Engagement through social media then enables retailers to turn first-time visitors and repeat customers into advocates, while also gaining insightful demographic data.

**Customer loyalty rewards**
Shoppers consistently show a willingness to connect with retailers for immediate loyalty rewards and special offers. This can include long-term loyalty accumulation of points with purchases and such immediate customer benefits as exclusive discounts and short-window specials delivered to shopper smartphones while the customer is in the store.

**Customer insights**
Any and all in-store WiFi interaction can be the source of valuable presence and behavior data, delivering business intelligence to apps that help retailers understand shopping patterns and measure the effectiveness of in-store marketing campaigns.

**Real-time marketing validation**
The easy and automated manner in which customer data is gathered is what makes it so effective. Sample sizes of data are much larger and more representative than what can be secured via manually administered and otherwise disruptive surveys.

In-store WiFi interaction is a valuable source of shopper presence and behavior patterns for retailers.

4 barriers to increasing engagement

Realizing the many competitive advantages to be gained with in-store WiFi requires much more than installing a network and delivering applications, and success often depends on close collaboration between the CIO and CMO. Key challenges include:

1. **Delivering consistent customer experiences across locations**
The uniformity of customer experience is as critical in digital engagement as in any other form of shopper interaction. It’s not just a matter of deploying in every store, but rather of deploying effectively across all locations so that what proves effective in one store can be leveraged in all.

2. **Minimal in-store IT expertise**
While not a major issue for big-box retailers that have uninterrupted access to in-house or local support, the majority of multi-store chains have no such IT luxury. That poses potential issues for both initial deployment and for continuing operation should there be an interruption in Internet connections.

3. **Cost of deployment in the face of thin margins**
A successful deployment should produce incremental revenue that exceeds cost. Having a strong analytics engine integrated with the WiFi solution can help tremendously in assisting marketing with understanding incremental opportunities to fine tune performance for even greater effectiveness.

4. **Security and compliance**
Every concern about protecting cardholder data and new IP connections on store networks representing potential entry points for hackers applies to WiFi deployments. It’s essential to ensure that the quest for superior customer engagement does not also serve as an invitation for credit card and identity theft.
Tips for selecting a WiFi solution

Supporting superior in-store engagement starts with selecting a WiFi solution that meets these challenges head-on while delivering the most satisfying wireless experience. Key elements retailers should look for in WiFi solutions include:

**Security/intrusion prevention**
A WiFi system with integrated WIPS (wireless intrusion prevention system) ensures the strongest security posture in order to protect your brand and your customers’ data. Further, connectivity over an MPLS network or secure SD-WAN connection rather than the public Internet provides an end-to-end private means of securing connections within the cloud—a clear advantage.

**PCI compliance and reporting**
As WiFi-connected devices are potential hacker entry points, the PCI Security Standards Council outlines security measures to protect payment card data in wireless environments. A merchant can be held liable should a breach occur between the recommended quarterly wireless vulnerability scans, so your solution should perform 24/7 scanning for a more thorough compliance posture.

**Ease of deployment and management**
The typical absence of on-site IT expertise makes it especially desirable that retail WiFi solutions offer an array of features that simplify deployment and management, including plug-and-play installation within stores and central control via a cloud-based portal for centralized alarms, reporting and configuration management in support of both problem resolution and the promotion of a uniform customer experience across locations.

**Reliability/fault tolerance**
A major advantage of WiFi solutions built on cloud architectures is their ability to leverage the cloud’s inherent redundancy. This can include the continuance of stand-alone operation with the latest configuration for an internal network should an Internet connection go down, with alarms and alerts continuing to be logged for transmission to the cloud server when the connection comes back up.

**Return on investment**
A solid retail WiFi solution should support integration with social media and analytics for near-term and future revenue enhancers. To alleviate ramp-up costs, it’s helpful to have the system procurable in an operating expense (OPEX) model, with predictable costs incurred on a monthly basis.

How 3 retailers upped their engagement game

**Retailer 1 : Restaurant**
In response to requests from customers and store owners for WiFi access services, a specialty yogurt chain deployed WiFi guest access in stores that satisfied PCI standards, was affordable and required minimal operational effort and no additional IT staff. **The retailer took the opportunity to simultaneously launch its new mobile app loyalty program, and experienced a 30% increase in loyalty program users within two months and a total increase of 120% within two years, reaching 1.1 million loyalty card holders total.**

**Retailer 2 : Luxury watches**
After searching for a secure WiFi solution to support in-store mobile POS, which would keep the store associate engaged with the customer while checking on pricing, the luxury watch retailer deployed a WiFi solution to provide security and PCI compliance support for the mobile POS application, and also incorporated social media integration and data analytics that it plans to leverage in the future—seeing it as a game-changer for driving revenue going forward.

**Retailer 3 : Jewelry**
With hundreds of stores nationwide, a large jewelry retailer rolled out WiFi to support mobile POS and employee training applications, and is now seeing tremendous value in the data analytics (presence, loyalty and other metrics).
Conclusion

Retailers who make innovative digital technology choices for their brands and their customers are realizing competitive advantages, especially with regard to keeping pace with agile online brands. Those who have been held back by concerns about budget, IT resources and security now have a clearer path to competition, with secure WiFi setting the stage for growth and leadership in the digital age.

Discover a secure, easy-to-manage solution

Secure WiFi & Analytics from Windstream Enterprise enables retailers with multiple locations to easily deploy and manage highly secure and PCI-compliant private and public wireless networks, connect with customers through their mobile devices and social media, and gather data for customer analytics. This solution also supports mobile point-of-sale applications and provides store associates with access to corporate applications, training and product and inventory information on tablets, smartphones and other devices.

Secure WiFi & Analytics features

- **Highly secure WiFi** with a top-rated wireless intrusion prevention system that meets PCI, HIPAA and GBLA compliance requirements
- **Easy to deploy and manage**, with zero-touch installation and centralized, flexible and scalable cloud-based management and customizable user interface
- **Social media engagement**, including customizable and branded portals for converting customers/guests into loyal advocates
- **Analytics for business intelligence** that delivers insight into consumer behavior to help measure the effectiveness of store layouts and targeted campaigns

4. HCI Retail Advisory, 2017