The A to Z of Proximity Marketing with Beacons
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Why Proximity Marketing is the Next Big Thing

Over the past year, we have seen a number of brands ranging from retail to events, begin to dip their toes in proximity marketing by running beacon pilots. Infact, according to ABI Research’s latest report, beacon shipments are expected to create a 60 million unit market by 2019.

However, though beacons have today reached mainstream, most brands are still unsure about how to leverage beacons and integrate it with their mobile strategy. Even those marketers who are well aware about proximity marketing and its ability to help drive sales, aren’t sure about where to begin or the kind of campaigns they can implement with beacons.

This ebook will cover everything, right from things to consider before getting started with your iBeacon pilot to tips on how to kickstart your proximity marketing campaign.

Why Context is King

In today’s fast-paced marketing race, creating personalised, consumer-tailored experiences is the only way ahead for brands. This can be done by gaining deep insights into the needs and preferences of your consumers such as what he or she is currently doing or what he or she might need in the immediate future. Such insights will give you invaluable data points around which engaging notifications can be tailored.
3 Things to Consider before getting started with your iBeacon Pilot

Running a beacon pilot allows you to test the waters and understand what is working for your business. But before we get into the intricacies of running a pilot, here are 3 things that you need to consider before getting started.

1. Choosing the right Beacon Hardware

Though there is a lot of information on ‘battery life’, ‘signal strength’ and ‘advertising intervals’ of various beacons, their actual behaviour on the field depends on a number of factors such as interference, RSSI etc. It’s thus best to test with actual beacons and plan your strategy accordingly.

While choosing the right beacon hardware, there are a few things you need to keep in mind:

a) Power Requirements – Can you go ahead with battery-powered beacons, or would you need USB-powered beacons? Should you consider electromagnetic-wave powered beacons or outdoor beacons? All this depends on where and how you plan to place your beacons.

b) Interior Design and Aesthetics – This is something that often gets ignored, but as a business, it’s best to keep it in mind from the very beginning. You would not want beacons around your store to look hideous! Chances are that you might want to use a combination of beacons from various manufacturers.

c) Compliance with Apple’s iBeacon specification – Though, all beacons available currently work with Apple’s CoreLocation APIs, to be sure that they will work with future versions of iOS, it’s best to have this as a criteria.
Without an optimum user base, you won’t be able to accurately sum up how your target customers are taking to this new technology, or if the beacon messages are resonating with your customers as expected. A strong, engaged user base plays a key role in the success of a consumer facing app.

Collecting crucial app data such as frequency at which mobile-only offers are redeemed for example, is also essential in analyzing the success of your beacon pilot. By comparing with the earlier data, you will be able to track if users are redeeming more mobile-only offers, or spending more time interacting with the app while in-store or at the venue. This will give you a good idea of how well your beacon pilot is performing.

2. Your Mobile App

If you are looking to adopt beacons for your consumer facing app, then the first thing that you should consider is the success of your own mobile app.

a) Is it widely downloaded?
b) Does it have a good number of engaged users?

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On the other hand, if you are looking to adopt beacons for internal purposes then it is important that you equip your staff with devices that work with BLE technology.

### 3. Integrating Beacons with the rest of your Marketing Strategy

While beacons definitely are a right step towards gaining a rich understanding of individual customer preferences, your beacon solution including the metrics, analytics and interpretation can't exist as a silo. Beacons, on their own, will only end up adding more and more data to your system. Once the data provided by beacons is combined with other in-store strategies, it will help you deliver relevant messaging to your customers.

Therefore, it is very important to ensure that your beacon solution is well aligned with your current marketing strategy that may include a CRM, loyalty programs, POS system, mobile strategy etc. This way, once integrated, beacons can help you distinguish ‘physical store/venue’ from ‘mobile’ from ‘online’ – three domains that are, today, highly disconnected due to limited integration capabilities.

To help you get started with beacons we have launched a full-stack Beaconstac starter kit that will provide you with everything needed to get started with an iBeacon pilot project. The [starter kit](#) comprises of:

- **a)** 3 x Model BLE M1-AA beacons
- **b)** Beaconstac App
- **c)** Beaconstac Cloud platform with iOS and Android SDKs
When it comes to running an iBeacon pilot, it is a good practice to start with a limited set of people (say a maximum of hundred volunteers) at a few locations. Keeping it a ‘closed’ and ‘limited’ project will help you manage the project better. Our starter kit comes in handy here, as it has got you covered with everything you need to get started with your iBeacon pilot. Some of the important factors that you need to consider while running a beacon pilot include:

(1) **Decide what kind of content to trigger**

What kind of content do you think will resonate with your customers? Do you want to opt for push marketing content such as offers and discounts or pull marketing content such as educational content, videos and reviews? Also, what are the kind of contextual elements that will be attached to the content. You may include, loyalty and time of the day as contextual elements, for starters.

Businesses can kickstart their iBeacon pilot by using the free Beaconstac app to configure the 3 beacons and set up proximity messaging campaigns. This also allows businesses to cut down on development time and expenses.
(2) Arrive at engagement metrics
How are you planning on monitoring customer engagement? Will it be based on the contextual triggers used to deliver content to customers? Opting in for a beacon platform like Beaconstac will give you a clear idea of how your store fares with respect to critical engagement metrics such as dwell time per zone, average visit duration etc. You could also use the platform to gain a solid understanding of the metrics involved in data-driven decision making.

(3) Gather customer feedback
The most important aspect of running a pilot is to learn from it. Make sure you ask your customers for feedback on what they liked about their beacon experience and what they didn’t. Taking this into account will help you ensure that you don’t end up irritating your users with beacon-triggered notifications.

(4) Seek your users’ permission before accessing information
When it comes to implementing a proximity marketing campaign, brands must take care to not be too invasive. Seek the permission of your users before extending any information and offers to them. Also, it always works best to provide your users with up-front detailed information on why you are collecting that data and how your users will benefit from it.

(5) Make the most of notifications by breaking down the content into smaller units:
Right from opting in to customer engagement to redemption of offers, everything that makes a proximity marketing campaign successful depends on great content. Moreover, with more and more screens (especially wearables) being introduced every day, it is highly crucial for content to be broken down into smaller units (including content and action) so that it can work agnostic of the screen size or technology platform.
Such units of content make it easier for users to consume and interact with content on different screens. Therefore, it a must that your designers spend more time creating amazing interactive notifications that will allow users to consume content and interact with them with ease.

Proximity Marketing: Brands that are doing it right

While, most brands today are using beacons to send targeted ads to customers, beacons are actually capable of much more than that. These tiny devices have the potential to deliver rich digital context on top of the real world and it goes much beyond collecting big data and advertising aggressively. Here are five brands across various verticals that are using beacons effectively and hitting the right chords for customer engagement.

(1) Nivea’s bluetooth-enabled wrist band:

Nivea’s famous magazine ad campaign called the “Ad Shield” was a print ad that could be ripped out of a magazine and be used as a child-tracking wristband that warned parents if their kids strayed too far away.
The magazine ad, made with special moisture-resistant paper and a built-in locator device, needed to be synchronized with the Nivea Sun Protege application. A parent could thus program the distance they chose, and when their child exceeded the distance limit, the application issued an alert right to the parent's smartphone. The brand won the Mobile Grand Prix award for this campaign and is (arguably) one of the best beacon implementations till date.

(2) Levi’s taps iBeacon technology to engage customers even outside of their stores

While most of the use cases and current pilots around beacons focus on interacting with consumers by sending a push message as they come into proximity of a beacon, there are brands that are thinking beyond “in-store” offers.

Levi’s recently deployed beacon-enabled billboards prompting customers with an offer and driving them into nearby stores. It was an attempt by the brand to see if customers who visit brick and mortar stores actually saw the billboard posters, or that they visited the store, but then actually purchased the product through the website.
(3) Japan Airlines uses beacons to improve customer service at airports

Japan Airlines started a beacon pilot earlier this year in Tokyo’s Haneda Airport. Staff were provided smartwatches that worked in conjunction with Bluetooth Low Energy. This was to help management assign staff more efficiently and respond more swiftly to customer requests. Beacons placed at the terminal’s boarding gates were used to pinpoint the exact location of each JAL staff equipped with the BLE-enabled smartwatch.

Using this information, managers could send assignments to the frontline staff best placed to respond swiftly to a need. Their ground staff could also get updates on company information and flight status updates on their smartwatch. The airline thus used iBeacon technology to actually improve business processes instead of using it to send offers and product information to customers.
Late last year, House of Fraser deployed beacons in one of their stores located in Aberdeen. In order to take advantage of any proximity marketing campaign involving beacons, shoppers at the House of Fraser must have the app from Iconeme downloaded on their smartphones before they are able to receive content-specific notifications.

When shoppers are within the 50-metre range of mannequins, the Beacons provide shoppers with further information on items the mannequin is wearing via the app. Some information may include price, size and whereabouts of where they can find the product in store. Customers can then go on to extend their shopping experiences by sharing products they find in store with friends via social media.
(5) Carrefour uses beacons to track shopping carts

Carrefour, a multinational retail chain operator attached beacons to shopping carts and throughout the ceilings at three of their stores in Madrid to track a shopper’s journey around the store. The data collected from the interaction between the moving beacons and the fixed ones could be analyzed and used to identify opportunities to improve the overall flow on the floor.

This is done by doing a number of things such as customizing the product selection for each store, optimizing product placement, highlighting and pairing relevant items, providing access to off-site inventory, as well as enabling easy access to feedback from peers for a more social retail experience across channels.
Other Industries where Beacons can be Effectively Utilized

- Airports
- Events
- Themeparks
- Hotels
- Stadiums
- Retail
- Museum
- Casinos
Ready to Get Started with your iBeacon trial?

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The starter kit comprises of

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- Beaconstac Cloud platform
- Beaconstac App

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