Retail Innovation Shout Out: iBeacon to Enhance Consumer Experience

by Cristina De Leon

Apple has made a statement once again with the new iPhone 5s, available for purchase today. One of the most exciting features of this device is iBeacon, which implements Bluetooth Low Energy (BLE) technology. Akin to the Bluetooth that exists today, users will be able to make mobile payments and use location services. However, what makes BLE so intuitive?

iBeacon aims to change the way consumers purchase products and navigate stores. For example, in a grocery store, small sensors are placed within the physical space. If a user has the new iPhone, the device detects close proximity to a beacon. Users are then able to receive special offers of the day, share promotions with others, make contactless payments, and use an indoor GPS to find a particular product. All of these features utilize past shopping records and user preferences.

In a Gartner press release dated June 4th, merchandise purchases were predicted to account for only 21 percent of mobile transactions for the year. Consumers were reported to “still not enjoy the best buying experience on their mobile devices.” However, with emerging technologies, such as iBeacon, and updated retail apps, this statistic can significantly increase.

With that said, will users buy the new iPhone to keep up with the latest trend or to discover a new way of making purchases? What is most intriguing is discovering how Apple’s major competitors, Samsung and Microsoft, will respond to a new landscape of consumer experience.

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