



Integrating the Mobile Consumer into the Supply Chain

to Increase Revenue and Improve Customer Service

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UNDERSTANDING THE NEW MOBILE CONSUMER

Individuals increasingly use their mobile devices to engage with brands and buy products. In addition, they use these devices in combination with social media to share product preferences and buying experiences.

ENGAGING THE MOBILE CONSUMER

Innovative organizations recognize the almost limitless opportunities available if they can use real-time information and connectivity to interact with mobile-savvy consumers and optimize their supply chains by mobilizing their internal teams and processes.

INTEGRATING THE MOBILE CONSUMER INTO THE SUPPLY CHAIN

National retailers such as Macy's and Kohl's encourage customers to log on to in-store networks to receive mobile discounts and offers. Chili's Grill & Bar now allows diners to use tablets to order, pay tabs, and even play games at the table. The results are positive — and can be extended beyond customer-facing applications.

WHAT IF AND WHAT'S NEXT

For example, a home improvement chain can utilize tablets on the store floor to help customers compare and select bathroom tiles. A dynamic app can capture the actual room dimensions or schedule an appointment for a sales associate to conduct in-home measurements. Once in the home, the associate can even take a picture of the bathroom and overlay the tile selection to help close the sale. The customer can sign off on the order from her home and the associate can instantly submit it to the warehouse for fulfillment.

HOW DO YOU GET STARTED?

With full visibility of where the tiles will come from and when they will be available, the job can be completed. The customer can then track the order through fulfillment, reschedule the installation appointment, and even tweet photos of the bathroom design.

To extend the value of the mobile apps throughout the supply chain, the company can also leverage enterprise mobile apps to track orders, provide installation documents, document proof of delivery, and capture the client's signature upon job completion. There's even the possibility of capturing a video testimonial for future marketing and promotions.



Additionally, when a company integrates customer-facing apps with internal systems, the customer wins. Forward-thinking retailers are linking their real-time inventory to consumer apps, allowing customers to instantly check for sizes, colors, and styles available both online and in-store. Geo functions further enhance the experience by providing the closest retail locations.

What does it take to build the right infrastructure to support this kind of interaction with mobile consumers? Let's walk through a few major considerations.

Understanding the New Mobile Consumer

The statistics measuring ownership and usage of mobile devices are stunning. Smartphone shipments are expected to surpass 800 million per year in 2013 and one billion by 2015. Tablet shipments have reached more than 120 million in annual shipments, growing at a rate of 70% per year. In fact, the tablet's first one million sales were attained faster than those for any other portable device.¹

In the past four years alone, one billion mobile subscribers have been added worldwide, bringing the total to 3.2 billion. There are now almost seven billion connections worldwide, with an additional seven billion connections expected to be added between 2012 and 2017.² A report from Gartner indicates that the inevitable has finally occurred: smartphone sales have exceeded feature phone sales for the first time.³ Another key fact: tablet shipments were expected to exceed PC sales for the first time in the fourth quarter of 2013.⁴

The staggering proliferation of mobile devices is creating both permanent and dynamic changes in the ways individuals interact with companies, brands, media, and

one another. The following are some examples of these new behaviors:

- More than 70% of individuals now use mobile devices to access social media, with much higher percentages among younger people.⁵
- Approximately six out of seven mobile shoppers used a smartphone to shop in 2013.
- Mobile shoppers are expected to contribute \$38.4 billion in sales from mobile devices, or roughly 15% of all e-commerce sales.
- More than 30% of mobile users report clicking on ads through mobile websites, and 25% report clicking on ads through mobile applications.⁶
- The number of mobile banking users in the U.S. alone is expected to double in the next five years, reaching 108 million by 2017, or 46% of U.S. bank account holders.⁷

Engaging the Mobile Consumer

Here are three important points to consider about the new mobile consumer:

- **Everyone is a potential consumer or marketer.** The mobile consumer is not your only end user. Your partners, employees, executives, distributors, and others who interact with your business are all potential mobile consumers. Additionally, all of these individuals are also potential marketers of your product or services, given the number of their social connections. Business-to-business and business-to-employee interactions are driven by increased mobility as much as they are by business-to-consumer interaction.

¹ "The State of the Global Mobile Consumer," Deloitte, 2012

² "The Mobile Economy 2013," A.T. Kearney

³ "Smartphones Finally Overtook Dumbphone Sales Globally In Q2, Android Now at 79%, Says Gartner," TechCrunch, Aug. 14, 2013

⁴ "Tablet Shipments to Exceed Personal Computers," Bloomberg, Sept. 11, 2013

⁵ "Adobe 2013 Mobile Consumer Survey Results," Adobe, June 2013

⁶ Ibid.

⁷ "The State of Mobile Banking 2012," Forrester Research, Aug. 24, 2012



The applications, services, and solutions you offer throughout your entire supply chain have to adopt and support many of the characteristics individuals expect from their consumer applications: they have to be easy to use, intuitive, secure, reliable, agile, and responsive to users' specific needs, while enabling social interaction with those inside and outside the supply chain.

- **Consider the devices.** In developing mobile services, products, and strategies, it is critical to consider the different devices individuals will use. Just as smartphones and tablets are different from laptops and desktops, they are also different from one another. For example, global websites now get more traffic from tablets than smartphones, and shoppers using tablets spend more for online purchases than smartphone users.⁸ However, if you are considering an in-store mobile experience, smartphones are more likely to be used for that purpose. Creating just one version of a mobile app may not be sufficient.

Also, it is critical in developing mobile apps to consider their native capabilities and how users interact with them. You want to take advantage of their geography and presence awareness, and you must consider that individuals are typically clicking and swiping as opposed to typing.

- **Mobility is part of a new paradigm in technology.** While mobility represents a fundamental change in how we use technology, it is just one aspect of a larger technological shift with a profound global impact. The combination of mobility with big data, social media, and cloud services creates a new mobile economy that will significantly change our everyday interactions. Market researcher,



⁸ Adobe, June 2013



IDC, characterizes the confluence of these four technological advances as the next dominant platform in computing, representing 80% of all growth in technology spending between now and the end of the decade.⁹ Within this platform, however, the role of mobility is significantly important as the enabler of this new economy and the means of bringing it all to life in the hands of the consumer.

The results of the Adobe 2013 Mobile Consumer Survey offer a clear summary of the challenges — and opportunities — in targeting the new mobile consumer:

Consumers are using their smartphones and tablet devices to connect with brands in a variety of ways, and they are increasingly moving back and forth between different devices and form factors. Mobile is a unique channel, with different requirements for smartphones and tablets, and this channel must be integrated into the overall marketing mix. It is imperative that businesses understand who their mobile consumers are, how they access sites or apps, which devices they use, and what their expectations are for a positive experience. By understanding the consumer through analytics and measurement, businesses can optimize their mobile channel to enhance their online presence, engage better with their customers, and achieve business objectives.¹⁰

Integrating the Mobile Consumer into the Supply Chain

Most businesses, regardless of their industry or location, are aware they must embrace mobility with customers, partners, suppliers, and employees, or risk being left behind in the new mobile economy.

The question is not *whether or when* to build a mobile strategy and become a mobile enterprise; it is *how to most efficiently and effectively* become a mobile enterprise *now*. The simple answer: **integrate the mobile consumer throughout your supply chain.**

What does this mean? Here are a few key points:

- **Develop mobile apps that are simple to use and take advantage of devices' native capabilities.** To ensure your business develops the most effective and cost-efficient mobile applications, use a mobile application development platform (MADP) that supports agile development and multiple devices, and easily manages updates and new releases. This MADP will help you quickly develop new mobile applications that do not compromise the native experience, and will also help to future-proof your mobile strategy to address requirements you may not even be considering.
- **Deploy mobile capabilities at every step of the supply chain.** Link all of your mobile applications in an integrated, holistic manner so that when you engage with a mobile consumer, you capture data in real time and use it strategically throughout the supply chain. For example, when an order comes in on a mobile device, information should go to inventory, production, marketing, sales, billing, and other appropriate departments or entities within your supply chain, such as your third-party logistics provider. This integration will not only help you improve productivity and customer service, but it will also put you on the path toward using big data analytics to further enhance your mobile strategy.
- **Add mobile capabilities to all of your applications — internal as well as customer facing.** You must have an enterprise-ready mobile strategy. Ensure that your mobile applications and services meet the most stringent requirements you would expect out of any of your mission-critical enterprise applications, including security, reliability, high availability, simple scalability, and sustainability.
- **Embrace social media.** Social media, a critical aspect of the new mobile economy, is increasingly crucial to successful consumer strategies. By embracing social media as part of your mobile strategy,

⁹ "IDC Predicts 2012 Will Be The Year of Mobile and Cloud Platform Wars as IT Vendors Vie for Leadership and the Industry Redefines Itself," IDC, Dec. 1, 2011

¹⁰ Adobe, June 2013



your organization can engage with consumers on familiar ground. What's more, by embracing social media, you can capture information about brand preferences, experiences, and buying habits that are critical to successful strategies involving big data analytics. Social media allows the dissemination of data and execution of socialization and marketing strategies to increase market share and performance.

What If and What's Next

Mobilizing and integrating both the customer experience and the supply chain opens up limitless possibilities to drive revenue and improve customer service. We mentioned several "what if" scenarios earlier, and those are just the beginning:

- As a manufacturer, what if your end consumer could search your website to find real-time, available inventory of your products at local retailers, potentially even considering inventory in transit to the retailer?
- What if you could create a specialized product based on Twitter or Facebook feedback? What if you could then use those same outlets to sell and market the product, managing and monitoring its progress through every step of the supply chain?
- As a full-service restaurant, what if you could allow customers to order meals from a provided tablet — then instantly deplete ingredients from your in-store supply and create reorders for your suppliers?

- What if there were a mobile solution that could quickly and easily help you manage customer routes, deliveries, and schedule changes — allowing you to save time and money?

As mobile capabilities and connectivity become ubiquitous, the "what if" scenarios are less limited by the technology, and more by our own imaginations. The power of a supply chain working in harmony toward satisfying the consumer is now possible. Organizations that harness this power and take advantage of the consumer being closer than ever before will be successful.

By embracing a mobile strategy and integrating the mobile consumer into the entire supply chain, businesses can now turn their "what if" scenarios into "what's next" scenarios. Are you ready to integrate the mobile consumer into your mobile strategy?

How Do You Get Started?

When it comes to mobilizing the entire supply chain and providing an easy platform for both enterprise and consumer apps, the DSI Mobile Enterprise Platform is an industry leader. As the pioneer in enterprise mobility, DSI equips companies around the globe to move beyond just implementing mobile apps to being mobile enterprises. DSI enables customers to take control of their mobile future and create a sustainable, optimized advantage for their business.

Looking for a trusted partner for your mobile supply chain strategy? Contact DSI at www.dsiglobal.com.

