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Mannequins that talk to your smartphone – oh, and model clothes, too

Sally Davies Aug 13 13:18 Comment



Venezuela might have the mannequins with the world's biggest breasts, but Britain now has the most tech-savvy models gracing its store windows and shop floors.

This week three UK retailers launched the world's first mannequins embedded with so-called iBeacons – little Bluetooth transmitters that can send alerts to smartphones in the vicinity, offering details about the clothes such as how to buy them online and where to find them in store.

The tech has been provided by British start-up Iconeme, and will be rolled out as a trial in a House of Fraser's store in Aberdeen, a menswear shop in London's historic Jermyn Street and a department store in Surrey.

So why do stores think that text-happy mannequins are what Britain's shoppers have been crying out for? Brick and mortar retailers are trying to figure out how to make the most of their expensive real-world real estate to fight back against exodus of customers to online shopping. The bet is that shoppers will keep trekking to the high street if they are provided with what the industry calls a "multichannel experience" – one in which they can move seamlessly between physical and digital worlds.

According to analysis by tech research group IDC, multichannel options will help boost revenue growth for retailers in 2016 by 1.5 per cent and margin growth by 3 per cent. Apple, which developed the iBeacon technology, is already using it in its stores, and Tesco, Waitrose and Macy's are trialling it.

The gambit is not just about ease of shopping – being able to see how something looks in real life, and then order and have it delivered in the right size, say. It's also about what shops might be able to do with the data.

iBeacons work with such accuracy that they can track customers' movements through a store, which GPS cannot do. This not only allows shops to communicate with users' smartphones at the optimal time that they need a nudge to buy, but also to gather a wealth of information about that shopper and their habits so the retailer can target the customer more effectively. It would be possible, for example, to take data about that person's gender, age or ethnicity, and then check that against how they move through the store – so the company could figure out ways to optimise keeping certain demographics inside for longer. Or a shop could use iBeacons to mine a user's previous purchase history and push offers to them as they pass their favourite item.

But there are problems. For one, there is no standard retail platform as yet – so particular store apps have to support iBeacon functionality, and users have to download them. This will be a barrier to the widespread change in consumer behaviour that such technologies demand. IDC analyst Miya Knight sounds a note of caution:

[B]eacons play only a small part of a complex retail technology-enabled strategy that requires connectivity with the shopper's mobile, Iconeme's app downloaded with permissions enabled and enough marketing to raise awareness of the new features it offers, as well as address any potential privacy concerns.

Recent privacy scandals, including Facebook running psychological tests on its users without their knowledge, shows the risks for companies that fail to treat customer data with due delicacy and caution. Iconeme says:

The retailer can choose what information is made available, plus also has access to analytic reports to gain customer insight and help improve service and sales. Reporting can include shopper details, such as age and gender, their location, what outfit was viewed and whether a purchase was made online. Shoppers however, have the ability to choose which of their details are made available, via their own privacy settings.

But perhaps the biggest issue is whether consumers really want to trade the convenience of a pure online experience for a digitally-enriched shop – or whether that is what retailers *want* shoppers to want.

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