



Smart Mobility

Trends and Perspective by AT&T

In This Issue

2 Our Perspective: How to Mobilize Retail Business

4 SMB Survey Results & Industry Stats

5 Q & A with RetailWire

*Mobility
is critical
to business
success.*

Whether your company has several large retail locations or thousands of smaller locations across the country, one thing is certain in today's market: Mobility is critical to business success. When it comes to dealing with back-end issues like supply chain and POS systems or managing the marketing and customer experience functions, AT&T has the solutions and expertise to achieve business goals.

In this edition of Mobility Trends & Perspective we spoke with George Anderson, editor-in-chief of Retail Wire, and asked him about getting inside the mind of today's retailers. He brings unique insights to the future of retail mobility and the use of location-based mobile marketing campaigns. We are also highlighting some recent statistics on the use of mobility in retail, both future-focused and an analysis of Q4 activity. Hint: smartphones are still the number one source of activity, but tablets are emerging as the shopping tool of choice.

We hope you enjoy this edition and find it helpful in preparing your business for today, and tomorrow.

Mobeen Khan

Executive Director, Product Marketing Management



Our Perspective: How to Mobilize Retail Business

A few years ago, mobility was a tough sell for businesses. Unsure of technology, adoption and costs, many hesitated to take advantage of the trend. Mobility is pervasive enough now that business owners are no longer intimidated by the concept, and many are testing the waters and using at least one mobile offering. Thanks to AT&T, many businesses are fully embracing the power and versatility of mobile.

*In 2015, American and European shoppers are projected to spend **\$67.1 billion** on smartphone and tablet retail purchases.¹*

» *Mobile applications, or at the very least a mobile-enabled web experience, are now part of the cost of entry in many businesses, and in many markets.*

Retail is a great example. Mobile apps can help with everything from scheduling and tracking to servicing and social media. They can make a business more accessible to new customers and more useful to existing customers. And the best part is, big-brand retail dollars aren't necessary to create a big-brand app experience. AT&T's Mobile Applications Services can help businesses that need soup-to-nuts help with creating an app, and our Enterprise Reference Library is the best resource for those comfortable with coding.

» *Once an app is up and running, the next step is putting it to use.*

One area that still remains a mystery to many businesses is mobile payments. This area is growing by leaps and bounds, and there's

no need to be left on the sidelines. It's easier than ever to incorporate mobile payments into a business model, whether it's through customized or existing AT&T apps or add-on devices that enable on-the-go payments from smartphones.

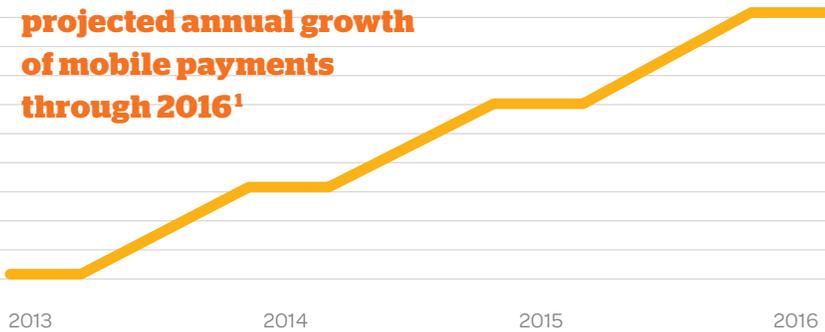
» *Finally, take advantage of the many supporting technologies that make smartphones the shopping device of the future.*

With location-based services, retailers can find shoppers where they want to be found and serve them relevant messages like coupons, reminders and other communications that build a relationship. They can also use this information to inform overall marketing and servicing efforts. Free in-store WiFi and wireless digital signage are just some of the other mobile technology that round out the picture and help a retailer stand apart. What's more, AT&T's technology will grow with any business – and help any business grow.

By the Numbers: Retail and Mobility

42%

projected annual growth of mobile payments through 2016¹



top retailers with at least one mobile offering²

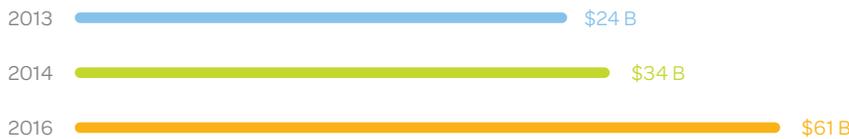
Location-based search revenue will reach **\$6 billion by 2017**³

Consumers Using Smartphones for Store-Related Shopping⁵



\$25 B mobile commerce sales in 2012⁷

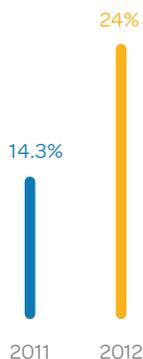
Projected Sales via Tablets⁴



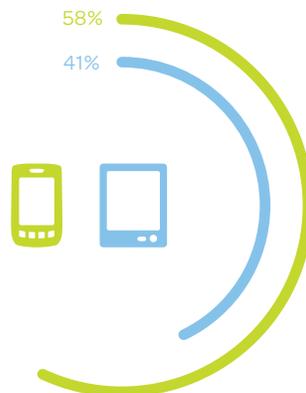
U.S. mobile users who have made a purchase with their phone⁶

Retail and Mobility: 2012 Holiday Sales⁸

Consumers Who Used a Mobile Device to Visit a Retailer's Site over Thanksgiving and Black Friday



Devices Used In Stores to Shop for Bargains

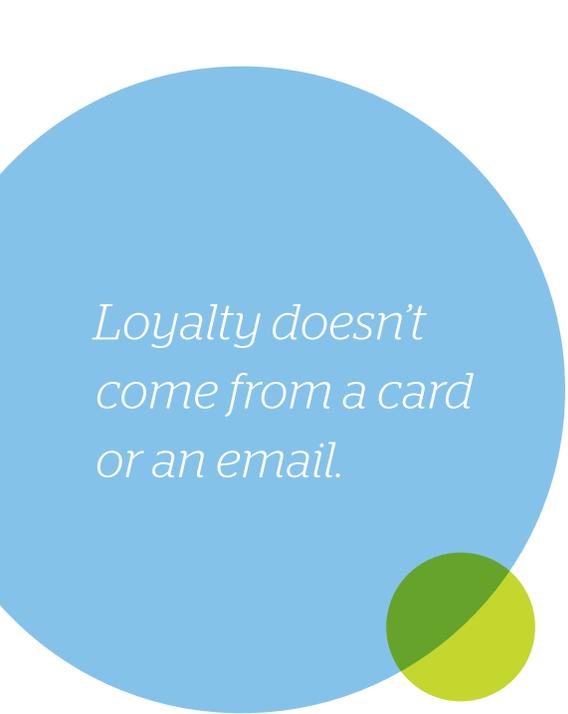


Online Sales from Mobile Devices



21% increase in M-commerce and mobile marketing, the biggest jump to date

1 Gartner, 2 Cognizant, 3 Strategy Analytics, 4 eMarketer, 5 Deloitte, 6 BI Intelligence, 7 eMarketer, 8 IBM Holiday Benchmark Report



*Loyalty doesn't
come from a card
or an email.*

Q & A with RetailWire

AT&T recently sat down with George Anderson, editor-in-chief of RetailWire, to get his organization's perspective on activities shaping today's mobile business in the retail industry.

» *What is the next big thing in retail?*

RW The next big thing is an expansion of the current big thing – mobility. Everyone is trying to be Apple, but very few are there yet. Mobile payment adoption and mobility within the retail environment is the next logical step for retailers looking to compete in the space. Consumers are demanding more instant transactions and answers and mobility solutions provide an opportunity to meet the customer at their expectation level.

» *Where are retailers putting their money in 2013?*

RW We're seeing significant investments in big data. Companies are developing analytical tools to help mold the customer experience. They want to know everything their customers say and think about their brands so they're able to adjust in real time to meet expectations. Feedback is being pulled from social media, satisfaction forms, purchasing patterns and more. Information provides opportunities to create more meaningful and profitable customer relationships.



» *What are some of the most successful strategies in retail mobile marketing?*

RW There is lots of opportunity in location-based campaigns. The industry is trying to do it without being annoying in the process. It's still a work in progress and really in its infancy, but could prove to be one of the most successful customer relationship building tools we have. Making sure to have an opt-in standard is the number one imperative to keep from being viewed as spam and you must provide pertinent information relevant to the location-based experience. It can't be just regular marketing to someone who sets off a notification when they walk in the door. It's a relationship building tool.

» *What advice do you have for today's retailers?*

RW Technology should be used to augment the customer relationship experience. Loyalty doesn't come from a card or an email. One national specialty grocery store has extremely high levels of loyalty with no official loyalty program. They use technology to make the shopping experience better for their customers. Transparency and authenticity are more important today than ever before. People no longer need to leave their homes to do all of their shopping. Retailers have to provide the best seamless experience in-store and online using the smart technology available.

For more information, please visit
att.com/mobilemarketing