

## **Bridging Digital and Physical Retail with NFC**

Smart Ways to Engage, Influence, and Convert Throughout the Consumer Journey

White Paper October 2018





### **Contents**

| What is NFC and How Does It Work?                                       | 3  |
|---|----|
| Executive Summary   | 3  |
| The Opportunity for Brands and Retailers                                |    |
| The Consumer Journey  |    |
| Pre-Purchase: Getting the Conversation Started                          | 6  |
| In-Store: Providing Simple Access to Product Information to Drive Sales | 7  |
| Post-Purchase: Keeping the Relationship – and the Analytics – Going     | 11 |
| Smart NFC Brand and Retail Strategies                                   | 12 |
| 11 Tips for Successful NFC Brand and Retail Campaigns                   | 15 |
| Taking the Next Step  | 17 |



#### Prepared by the Retail & Payment SIG

Matthew Bright, Thinfilm, Retail SIG Chair

Michael Baucke, Smartrac

Maeve Duska: USA Tech

Doug Deibert: Visa

Rachel Furst: Blue Bite

Sylvia Kaiser-Kershaw, NXP

#### **LEARN MORE. GET INVOLVED!**

Help chart the course for NFC and the retail industry. Email our Retail and Payment SIG Chair at scrpwg-chair@nfc-forum.org



### What is NFC and How Does It Work?



Near Field Communication (NFC) is a standards-based short-range wireless connectivity technology that makes your smartphones, wearables, tablets and other devices even smarter. NFC is built into more than 2 billion NFC-enabled devices and is compatible with hundreds of millions of contactless cards and readers already deployed worldwide.

For example, briefly touch (or 'tap') your NFC-enabled smartphone to another NFC-enabled object to share pictures, play music, make payments, access useful information, and more easily set up Bluetooth and Wi-Fi connections. No PIN codes, camera-based scanners, or wires are required to use this simple, intuitive technology You can use NFC tap technology to connect your users to a world of convenience, information, enhanced experiences and new intelligence.

For more information, visit http://www.nfc-forum.org.

## **Executive Summary**

To be successful today, brands and retailers need to compete more effectively in a mobile-first, omnichannel world. NFC technology offers a multitude of ways for brands and retailers to forge and strengthen a connection with the consumer at every step throughout their journey – pre-purchase, in-store, and post-purchase. NFC helps consumers by connecting them to helpful information when and where it's needed, offering a channel to interact with brands, delivering offers and rewards, providing the simplicity of one-tap payment, and more. For retailers and brands, NFC can lead to revenue growth, better customer experiences, new insights via customer analytics, and deeper, long-lasting relationships with the people who buy and use their products.

#### The Opportunity for Brands and Retailers

When viewed through the lens of traditional business metrics, the prospects for brand and retailers today couldn't appear more challenging:

- Consumer loyalty is fading: 90 of the top 100 Consumer Packaged Goods (CPG) brands have seen their share decline, according to a 2015 study by Catalina, a leading digital and consumer loyalty firm.
- Customer experience scores have plateaued. No brand studied by Forrester Research has achieved significant improvement in trust and experience scores since 2016.
- Two-thirds of consumers surveyed said that the number of companies or brands they consider when making purchase decisions has increased significantly compared with 10 years ago.



- Mobile has become the preferred way to get online: an eMarketer forecast noted that the number of US internet users who go online exclusively via mobile device will reach 52.3 million by 2021, as people transition from personal computers to mobile devices.<sup>1</sup>
- Even traditional in-store retail depends on mobile: according to Google, 82% of smartphone users say they consult their phones before they make purchases instore.<sup>2</sup>
- In a study by Strategy Analytics, consumers tested in five in-store retail scenarios preferred using NFC 2 to 1 over QR codes and as much as 8 to 1 over Bluetooth beacons.<sup>3</sup>

These findings confirm that consumer expectations and behaviors are fundamentally shifting as e-commerce continues to grow and consumers of all ages increasingly turn to their mobile devices to consult online reviews, research products, get recommendations, and comparison shop.

While these changing consumer behavior patterns pose challenges, a closer look reveals that they actually open the door to new opportunities for brands and retailers to:

- Drive revenue growth
- Deliver better customer experiences both at the point of purchase in addition to the point of usage
- Better understand consumers through behavioral insights and improve personalization based on rich profiles
- Forge deeper, longer-lasting and more personal relationships with the people who buy and use their products

The key to taking advantage of these opportunities is to establish and maintain a strong direct connection with each person throughout the consumer journey, beginning before the purchase and continuing after the sale.



<sup>1</sup> https://www.emarketer.com/Report/US-Digital-Users-eMarketer-Forecast-2017/2001987

<sup>2</sup> https://www.thinkwithgoogle.com/marketing-resources/micro-moments/mobile-shoppers-consumer-decision-journey/

 $<sup>3 \</sup> http://nfc-forum.org/wp-content/uploads/2015/01/NFCForum\_RetailBrandWP02.2015ffff.pdf$ 

### **6 TIPS FOR REACHING CONNECTED CONSUMERS**

The era of the "connected consumer" is here – and it's not just millennials. People of all ages and backgrounds are turning to the Internet to interact with digital content, services, experiences, and brands. They're going online for entertainment, education, knowledge, social sharing, and commerce. And they're staying connected – wherever they go and whatever they do.

That includes shopping. Today, 90% of smartphone owners use their phones while in-store. Here are six tips for brands and retailers to consider when working to attract these connected consumers:



## Omnichannel retailing can pay major dividends

Try to provide a seamless, integrated experience for the consumer across all channels and deliver the appropriate messages at each engagement, based on the context. That means finding new ways to build bridges between the physical and virtual worlds. The payoff? Omnichannel shoppers have a 30% higher lifetime value than those who shop using only one channel.



## 2

## It's never too early to connect with consumers

Before consumers even set foot in a store, they have already done their research, read online reviews, and checked prices. Find ways to break through the noise, capture their attention, and build a positive perception of your brand. Two out of three millennials attribute brand loyalty to online content.





#### Online resources can enhance the in-store shopping experience

When consumers use mobile devices in store, take the opportunity to build a relationship, strengthen your brand, and drive sales by delivering on-demand product information, demonstrating benefits, and providing exclusive offers.





## The easier consumers can engage with your content, the better

Make the process of accessing your content as easy and convenient as possible in order to leverage your investments in content creation, influencer activity, and digital advertising.





#### It pays to maintain the relationship beyond the sale

The purchase transaction is just the beginning of the consumer experience. You can forge brand loyalty, build incremental sales, and capture consumer data for analytics by maintaining an ongoing connection post-purchase.





## Broader use of analytics can deepen your understanding of customer behavior

The more you know about your customers, at the point of purchase and usage, the better you can meet their expectations, fulfill their needs, deliver a satisfying, personalized customer experience, extend the customer relationship, and strengthen brand loyalty - by creating targeted content based on accurate behavioral metrics.





NFC technology provides many ways to take advantage of these tips throughout the consumer journey.

## **The Consumer Journey**

The next-generation retail and brand experience is built on satisfying consumer needs in a seamless fashion across their consumer journey, from pre-purchase to post-purchase. For a visual depiction of the consumer journey, check out our free Next Generation Retail and Brand Experience infographic.

#### **EXCEED CUSTOMER EXPECTATIONS**

Smart retailers and brands employ NFC to engage customers with personalized, exclusive or one-time content experiences.

#### **Pre-Purchase: Getting the Conversation Started**

Prior to purchase, the connected consumer spends his or her time online doing research, reading reviews on social media, and checking prices, as well as experiencing advertising across multiple media. This is the ideal time to connect with the consumer to provide educational material, deliver advertising content in breakthrough ways, and provide incentives to visit stores or get a more personalized shopping experience.

#### Driving response through smart packages and hang tags

One of the biggest challenges for brands and retailers is engaging consumers when they are not in the store or on the e-commerce site. Smart packages and hangtags can help deliver education and drive incremental sales and reorders in these situations.



**HOW NFC HELPS:** NFC tags embedded in product packaging or hangtags give consumers a way to initiate an interaction with you. A tap of a smartphone and a prospective buyer can get the product information to help make a purchase decision. For consumers who have already made a purchase, those same tags can create opportunities for up-sale, cross-sale, and reorders.

#### **SMART PACKAGING PERK**

Even after the consumer has brought a product home, NFC tags embedded in product packaging create opportunities for up-sale, cross-sale and reorders.

#### ■ Creating buzz through non-traditional ads

With traditional print media subscriptions on the decline, brands and retailers need novel ways to advertise their products and capture attention.





#### Building a personal connection through showroom appointments

What better way to begin delivering personalized service than by scheduling an individual showroom appointment? For luxury and other high-priced products, a one-to-one selling opportunity enables you to provide the individualized attention your customer deserves.

**HOW NFC HELPS**: NFC takes the complexity out of setting up showroom appointments. With the tap of a smartphone on an NFC tag on a smart poster or ad, a scheduling website can launch and the prospective buyer can select a time and date.



### CONVENIENCE AND CONNECTIONS WITH NFC

With the tap of a smartphone on an NFC tag on a smart poster or ad, a scheduling website can launch and the prospective buyer can select a time and date.



## In-Store: Providing Simple Access to Product Information to Drive Sales

When the consumer arrives at the store, brands and retailers have multiple opportunities to enrich the experience and help shoppers make an informed purchase. These include:

#### Engaging consumers with smart signage

Enhanced point-of-sale displays can be an effective way to capture shoppers' attention and direct them to sales and special offers. NFC-enabled signage can also be a novel tool for making the shopping experience more rewarding and fun.

**HOW NFC HELPS**: With embedded NFC tags, displays become more dynamic and interactive. Consumers can tap the display to instantly get a coupon, opt-in to social media to read reviews, or even download a game. You can use it to design and implement mobile campaigns and track their performance via analytics. NFC tags are also available with advanced features such as counters that support compelling promotions, such as "10% off for every 10th customer who taps the tag," and you can securely and instantly update these experiences when required either via the cloud or by directly updating a tag's content, depending on implementation.



#### **■** Delivering one-on-one service to shoppers

As brick-and-mortar retail seeks to maintain profitability, many stores are trimming staff, making it more challenging to provide the personal service key to the retail shopping experience. A "virtual salesperson" can help fill this void, delivering product information at the point of sale when it's needed.



**HOW NFC HELPS**: NFC tags on store shelves, product tags, and shelf talkers give shoppers one-tap access to a wealth of product information. With a single tap, in-store shoppers can launch product demonstration videos, explore user manuals, learn about care and maintenance, find out about other colors or sizes in stock, and get whatever additional information will support their purchase decisions. No more searching for a sales associate to get answers.

#### **■** Providing product authentication for premium goods

Counterfeiting is a major, ongoing problem. Industry analyst Vandagraf Research estimates that 30% of sunglasses, 20% of sportswear and luxury fragrances, and 10% of luxury apparel and leather goods are fake. Maureen Downey, a leading authority on counterfeit wines, estimates that 20% of all fine wine traded is counterfeit. The damage to brands and retailers – to revenue, reputation, and consumer confidence – is incalculable. For consumers, an expensive purchase could turn out to be worthless – even dangerous. For premium goods and collectibles, authoritative proof of a product's authenticity and provenance at retail can give consumers the added assurance they need to make a purchase. Brands can use advanced NFC tags to add an additional layer of protection, such as digital signatures or even encryption, to higher-value goods. Certain implementations may also use access rights to tag content (e.g. production data) for authorized users with dedicated readers, such as brand inspectors or retail staff.





**HOW NFC HELPS**: With an NFC tag embedded in a product – from a wine bottle label to a tag on a piece of jewelry – shoppers can verify a product's authenticity with a tap of their smartphones. For more rigorous security requirements, NFC tags are available with advanced features that support stronger authentication. Vandagraf estimates that there may be as many as 1.2 trillion IoT-connected packages and labels available to interact with mobile readers by 2021.

#### **■** Confirming product integrity to drive sales

Consumers want to be sure the products they buy have not been damaged or tampered with.

**HOW NFC HELPS**: You can incorporate an NFC tag into a tamper-evident feature to reveal if product packaging has been interfered with prior to sale. These specialized NFC tags can trigger an alert to indicate to users that an electronic tamper seal has been broken. That same NFC tag can also be used to change the experience by delivering status-aware messaging pre-/post-retail.



#### Promoting app use to strengthen customer loyalty

Mobile apps are a great way to deliver greater convenience and ease to customers while enhancing the customer experience and strengthening brand loyalty. You can provide coupons, support loyalty programs, and even offer fun opportunities like contests and sweepstakes. But getting customers to download an app can be a challenging, multi-step process.



**HOW NFC HELPS**: A smart poster or shelf sign embedded with an NFC tag in-store can make the process of downloading a mobile app quick and easy. The consumer simply taps the smartphone on the NFC tag and is sent directly to the appropriate app page at the app store.

#### ■ Delivering coupons or vouchers at the point of sale to ensure the sale

It's a truism that the key to effective mobile marketing is to present the right offer to the right person at the right time. The powerful allure of a discount can be the right offer to the right person – an interested consumer ready to buy – at the right time (when they're in the store). A study by Forrester Research revealed that 34% of millennials prefer to use app-based digital coupons.



**HOW NFC HELPS**: A "tap here for 10% off now" NFC tag can make in-store couponing simple and efficient. As an added bonus, you can offer the coupon in exchange for the consumer opting into a mailing list or loyalty program. Result? You make the sale and capture consumer data to build a relationship. What's more, NFC's inherent security can help lower fraud associated with paper coupons by preventing unwanted redemptions. Protections against cloning can block attempts to share or manipulate such tags or promotional URLs.

#### NFC HELPS YOU:

- make the sale
- capture consumer data
- begin an ongoing relationship with customer



#### ■ Making loyalty programs more convenient for customers

Taking advantage of loyalty programs used to mean that consumers would have to carry and present a rewards card for multiple stores. The opportunity now exists to integrate loyalty programs into mobile payment for one seamless, convenient experience.



**HOW NFC HELPS**: When you support your loyalty program via NFC, you can save your shoppers the trouble of carrying cards wherever they go. A tap of the NFC-enabled mobile device can transmit loyalty information prior to payment. In 2016, Walgreens became the first retailer to add their loyalty card via NFC to Android Pay.

#### ■ Supporting chatbot conversations for better service

For customers who don't want to download an app or visit a website, chatbots provide fast, easy, and consistent answers to product questions or customer service inquiries while lowering costs for retailers. A number of stores, including H&M, Macy's, and North Face, are now using chatbots.



**HOW NFC HELPS**: You can make chatbots more readily available to shoppers in-store by displaying NFC tag-embedded smart posters labeled "Have a question? Tap here for instant answers." It's a great way to boost engagement and reduce friction.

#### ■ Introducing shoppers to the "endless aisle" to optimize inventory

Retail space is often limited and maintaining a large inventory in-store is costly. When customers are ready to make a purchase but unable to find an item or the right size on the rack, it is frustrating for both of you. But if you can easily bridge the distance to your e-commerce site, you can turn that frustration into satisfaction.



**HOW NFC HELPS**: NFC tags on shelves let consumers tap and immediately launch the appropriate page on your e-commerce website to order the right product in the right size. If a product is out of stock in-store, a consumer can quickly and easily have it delivered to their home.

#### Offering a connection to social media

As shoppers contemplate their purchase decisions in-store, they may turn to social media for advice, recommendations, and feedback. You can help them reach out socially to make better-informed purchase decisions and share their discoveries. In addition, you can motivate customers to access helpful peer reviews and ratings while they're in the store.



**HOW NFC HELPS**: NFC tags embedded in posters can provide quick links to curated social media influencers so shoppers can seek advice and recommendations. Similarly, NFC tags enable customers to quickly share their discoveries with their social contacts. NFC-enabled signage can also be used to ask customers to tap and rate their shopping experience via social media.



#### ■ Providing fast, simple, secure payment at fixed and mobile points of sale

It's been estimated that 90% of smartphone owners use their phones while in-store. You can build on that usage, keep your sales floor active, and avoid long checkout lines by supporting NFC payments on mobile point-of-sale (mPOS) devices.



**HOW NFC HELPS**: With 2.7 billion NFC-enabled handsets in use by the end of 2019, it only makes sense to support NFC-based mobile payments on mPOS. NFC payments are fast, simple, and secure – and according to a <u>survey</u> by Stratix and IHL Group, successful deployment of mPOS could generate a 146% revenue boost for retailers in 2018.

#### **■** Enabling kiosks, pop-up stores, fairs, and micro-merchants

Instead of waiting for the consumer to come to you, now you can bring your goods directly to the consumer. Kiosks and pop-up stores bring an element of novelty and excitement to street retail – and anyplace where people gather is a potential retail site.



**HOW NFC HELPS**: NFC can support these nontraditional stores by supporting mobile payments with a compact smartphone dongle.

#### **■** Building customer relationships via vending machines

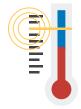
Traditional vending machines support self-service dispensing of products such as soft drinks and snacks, but offer no opportunity to engage customers.



**HOW NFC HELPS**: Vending machines that support NFC technology offer new ways to build loyalty. For example, USA Technologies (USAT), a leading mobile transaction service provider in self-serve retail, recently integrated its MORE rewards program with Apple Pay. When consumers use Apple Pay at one of USAT's 900,000 self-serve vending machines, they are able to instantly enroll in USAT's loyalty program to receive customized rewards, promotions and discounts. By enrolling customers in the program at the point of purchase, USAT expects to build a stronger relationship with regular customers at everything from soda machines to washers, dryers, and self-service car washes.

#### Assuring product quality through integrated sensing

The quality of perishable food, beverages, pharmaceuticals, and other sensitive products can be affected by conditions in transit, such as temperature. If you can assure customers that premium products have been handled correctly and will fully satisfy them, it can be an effective motivation for purchase.



**HOW NFC HELPS**: NFC-integrated sensors can provide real-time temperature sensing and data logging across the supply chain. Data can be read by an NFC-enabled smartphone at any time, at retail or beyond. Built-in security measures can prevent unauthorized modification of data logs, allowing brands, retailers, and distributors to verify quality by confirming that temperature-sensitive products were shipped properly.



## Post-Purchase: Keeping the Relationship – and the Analytics – Going

The consumer journey doesn't end when the sale is complete. Your greatest opportunities to build brand loyalty, capture consumer data for analytics, and drive additional revenue come during the post-purchase phase of the consumer journey.

## ■ Delivering post-sale product added value and messaging to continue the relationship

Your customers take their purchase home and open the packaging. You can have a one-to-one interaction with them at that moment – to thank them for their purchases, provide usage instructions, and more.

**HOW NFC HELPS**: By including an NFC tag in the package or the product itself, you can incentivize your consumer to tap and get the perfect introduction to their use of the product, such as access to the user manual (no more printing for manufacturer).



#### ■ Supporting automated or subscription purchases and reorders

If you're selling a product that will be used and replaced, or requires refills on a regular basis, you want your customer to come back to you regularly to reorder with minimal effort.

**HOW NFC HELPS**: NFC can jump-start that process. You can include an NFC tag in the packaging – or on the product itself – and with a tap, your customer can go straight to an order page to make the process simple and convenient. In addition, appliances or devices with NFC-tagged consumable or refill elements can use built-in readers to automatically detect genuine refills, optimize settings based on a consumable's tag data, and even identify when a product may require replenishment. Examples range from printer cartridges to water filters.



#### ■ Cross-selling and upselling via e-commerce

Your customers liked your product enough to purchase it. That means they are also more likely to buy accessories, add-on products, or other items in your product line.

**HOW NFC HELPS**: With an NFC tag on the product or in the package, you can give your buyers one-tap access to your e-commerce site to purchase other related items from you.



#### ■ Connecting consumers to warranty registration, support and customer service

Whether your customer is seeking to register a product or experiencing a problem installing or using your product, you want to make it as easy as possible to fulfill their needs.

**HOW NFC HELPS**: With a unique, identifiable NFC tag attached to your product or its packaging, you can let customers easily perform complete warranty registration without having to manually enter a product serial number. Moreover, when your customer contacts your product support team via the NFC tag, you can configure your database to automatically provide quick access to that specific item's history and details to better troubleshoot any issues.





#### Enabling personalized gifting

Imagine offering your customers the opportunity to personalize the gifts they purchase with an audio or video message for the gift recipient.



**HOW NFC HELPS**: Using a uniquely-identifiable NFC tag attached to the product or in the product package, customers can create unique, personalized messages to gift recipients. When the recipient taps the tag, the message plays, making the gift-giving more special, meaningful, and lasting.

#### Opening a channel for timely feedback

According to the Association of National Advertisers, 42% of millennials want to help brands develop future products and services. You can solicit their ideas directly and gain valuable insights – at the moment they are using your product.



**HOW NFC HELPS**: By tapping an NFC tag in the product package, customers can provide timely feedback and ideas to help guide future product development, opening a window into data from a phase of the product lifecycle that was previously inaccessible.

#### **Smart NFC Brand and Retail Strategies**

The unique properties of NFC technology make it easier and more practical for brands and retailers to understand usage patterns and post-purchase customer behavior in a way they never could before. NFC also creates opportunities for nontraditional stores to build direct customer relationships that were previously beyond their reach.

#### ■ Gaining visibility into the post-purchase experience

Brands accumulate great insights on their products as they move throughout the supply chain. That chain begins at manufacturing plants where items are produced, and traditionally ends at the point of sale, once the purchased products are in the hands of consumers. Insights are carefully recorded up until this point to ensure goods are getting to market and to understand what is performing well, where it's selling best, and at what pace.

However, the most poignant and telling insights – those pertaining to who, what, when, where, and how a product is used *after* it's been purchased – are being lost. Insights into how products are utilized by customers after a purchase are highly valuable to a company. This information can take the guesswork out of what to produce next, enabling brands to better allocate capital and efforts among different products.

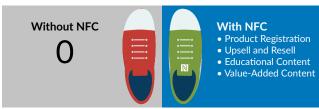
Currently, brands are limited to social media channels and email campaigns to communicate with customers after a sale. The challenges arising from those methods are that content published to social media is prioritized by the platform and exists outside the context of the brand. Moreover, the audience is owned by third-party platforms, not the brand itself. Email campaigns have low open rates and are technically limited by the lack of advancement in email technologies, such as limitations on message formatting and the unavailability of JavaScript. With



such barriers, other solutions are clearly needed to build a mutually beneficial relationship between brands and customers, especially as the world becomes ever more digital. The universal ability to read NFC chips with smartphones provides an unprecedented opportunity for brands to reach their customers directly through their products.

Products, once sold, are no longer valuable assets for a company. They have exited the product life cycle, insofar as the brand can measure, leaving them to exist with customers and without additional value. Enabled products – products that have NFC chips embedded into them, and which have digital content associated with them – shift this paradigm, providing companies, for the first time, insight

## MARKETING VALUE TO BRANDS OF PRODUCT WHEN IT LEAVES THE STORE



into how their products exist in the world among consumers. Below are some of the ways NFC-enabled products deliver extra value for both customers and brands.

#### Product Registration

Customer loyalty is currently at an all-time low. Through NFC-enabled products, a brand can foster a greater connection between itself and its customers to better retain them for the future. Digital experiences can include product registration, building a sense of ownership beyond physical possession of an item. Experiences can also allow customers to extend warranties with a single click, as well as giving brands an opportunity to promote customer loyalty programs.

#### Upsell and Resell

Another experience companies can provide customers via NFC-enabled objects is the option to reorder, especially for consumable goods. A customer's likelihood to reorder an item is a big indicator that they enjoyed a product. It is also a great channel for further product recommendations, where brands can suggest other items to customers based on what they have already purchased. This system is more valuable than Amazon Dash buttons, for example, as the NFC tag lives on the product itself, making it easy to interact and reorder, rather than having to seek out the Amazon Dash button, wherever it may exist in the home. Moreover, having the product in hand makes it more tangible for customers to understand the connection between it and another product being suggested in conjunction.

#### Educational Content

Educational content provides another valuable use case for NFC-enabled products. Many products require skill to use, whether it be a complex camera that needs tutorials to showcase its power, or a jar of cosmetics that can provide helpful tips on how best to apply the product. Through educational articles, images, and videos, brands can provide content that benefits the user, making it easier to use the product. It also increases customer satisfaction as it shows brand concern for the customer's experience with the product. Content marketing is growing as a successful tactic to reach and bond with the consumer; spreading content via enabled products maintains a symbiotic relationship between brand and customer without the interference of third-party channels.



#### Value-Added Content

In the last 15 years, 52% of the Fortune 500 has disappeared. Internet-based companies have proven efficiencies over traditional manufacturing. Companies that integrate digital assets into their core strategies are the ones that thrive and survive over time. Enhancing NFC-enabled products with value-added content is an effective way to stay top of mind with consumers. You can keep your customers digitally engaged with your brand by streamlining access to video and audio content, related event tickets, VIP privileges, personalized rewards, and more. Exclusive branded lifestyle content can invite your customers to step into your universe and be rewarded with exclusive content, experiences, and access that can increase customer satisfaction and loyalty.

Every experience in an NFC-enabled product provides a wealth of post-sale analytics that would otherwise be lost. This data delivers insights into who, when, where, and how products are being used by consumers, which in turn can prove invaluable for informing new product decisions. Moreover, with the added value digital experiences bring to products, customer satisfaction and brand trust can increase, helping you to retain existing customers and acquire new ones.



# 11 Tips for Successful NFC Brand and Retail Campaigns

NFC-driven brand and retail campaigns are still a relatively new marketing tool, but many have been launched successfully in recent years. As you begin developing your NFC strategy, the NFC Forum would like to provide the following tips to help ensure a successful campaign:

1 Start with an interdisciplinary campaign team

An NFC campaign can touch many roles and departments – from manufacturing (for embedding tags in products or packaging) to marketing (for digital consumer experiences) to supply chain operations (for authentication and traceability) to IT (for website links and analytics). Your campaign will have a better chance of success if you enlist all affected parties in the program from the start.



2 Consider lead times carefully

Some simpler NFC campaigns can be launched quickly. Others are more complex – involving manufacturing production scheduling and the development and ordering of product packaging – and require more lead time to ensure that all components are in place and ready to go on Day 1.



**3** Focus on the user experience

NFC is a fast technology, so you need to take advantage of that speed and build upon it. If, for example, you are using NFC to launch a mobile website, be sure that site is optimized for mobile and any downloads can happen quickly. Or integrate NFC functionality into a mobile App to enable new ways to interact with a product.

4 Include a clear NFC call to action indicator

Make sure your customers know their products or packages are NFC-enabled. Include text and/or graphics that, indicate clearly where to tap an item, and explain what content or experience they will receive. The NFC Forum recommends that you use the NFC Forum N-Mark as the touchpoint indicator. Get more information <a href="here">here</a>.

5 Keep it intuitive

NFC is one of the most intuitive technologies available; all it takes is a tap. Keep that ease and convenience going throughout the user experience.



6 Craft experiences that can be shared

While NFC does support one-to-one interaction, a consumer-oriented campaign can be more effective if you take advantage of opportunities to include friends. Make the content fun, add an element of competition, and it will be shared. That way, a single NFC interaction can lead to many, many more.



Think mobile first

It's a mobile world, so ensure that the user experience and online journey are simple and streamlined for the mobile browser. Don't require users to do too much scrolling and typing.





8 Create a compelling marketing message.

Only create an NFC experience when you are driving the consumer to a truly valuable experience. Ask yourself the questions: What is the call to action? Why should the consumer tap? What benefit do they get?



9 Pursue opportunities for brand-retailer collaboration

In today's competitive environment, retailers are always looking for product exclusives and unique offers to drive traffic during key shopping seasons. When brands and retailers team up on co-branded campaigns, you can share the costs while ensuring that the business objectives of both organizations are achieved.



10 Take advantage of NFC's unique capabilities

Unlike most QR codes, each NFC tag is uniquely identifiable. So, for example, when you embed an NFC tag in an article of clothing, you enable the customer who purchases that product to register that tag to themselves. You can then tailor content to that person's needs and preferences and support post-purchase needs, such as product customer care and preference-based e-commerce personalization. NFC is incredibly powerful, and investigating the diverse range of NFC tag options allows you to find the right functionality – from tamper and temperature sensors to counters and cryptographic security – in order to enable compelling new applications.



11 Look for NFC Forum-certified tags to ensure the best user experience

The NFC Forum Certification Program helps guarantee interoperability between NFC-capable devices, including smartphones, readers, and tags. For additional information about our Certification Program, click <a href="here">here</a>.





## **Taking the Next Step**

For organizations just starting out with NFC, the best first step is to review your business objectives and determine what initiatives can be best supported by an NFC campaign.

There are a growing number of IoT marketing firms, interactive packaging specialists, systems integrators, and digital content providers who are experienced at developing and executing NFC-enabled campaigns and can support your needs. Working with them and developing a limited-area pilot project will enable you to experiment with ideas and measure their effectiveness.

Another worthwhile step is to stay in touch with the NFC Forum. At our website, you'll have an opportunity to keep up on the latest developments and get ideas from other company's campaigns.

Finally, the best way to connect with NFC expertise is to join the NFC Forum and participate in our <u>Retail & Payment Special Interest Group</u>. You'll have an opportunity to interact with experts, make useful connections, and influence the future of NFC in retail and payments.

NFC is transforming the customer experience in the retail and brand space.

Join the NFC Forum today to add your voice to this transformation

https://nfc-forum.org/join

