iSIGN news
MEDIA CORP

Hello Katherine,

There's no question that proximity marketing is hot right now, but while everyone is jumping on the iBeacon bandwagon due to the Apple name behind it, many are unfamiliar with some important hurdles in beacon deployment and some mistakes that can be made.

It's easy to see how retailers are jumping at the chance to try this technology when big-box stores like Macy's and Lord & Taylor are setting up beacons in their stores. After all, this technology allows businesses to talk to their customers and send them relevant offers while tracking consumers' shopping patterns. iBeacons have potential to reach customers in a way that traditional marketing can't, but the technology is still in the rollout phase. It's important to consider some of the hurdles and problems that iBeacons face.

The user hasn't downloaded the app

iBeacons blindly send out nothing other than "ID chirps". In order to reach customers, a retailer needs an application to target customers through, in order for the iBeacon to work. At this point, only the Apple iOS world is supported, so you will need to have at least one app created for iPhones and don't forget to budget for an Android and Windows version for the future. If the user isn't interacting with the app or doesn't have it installed, the iBeacon might as well be useless. The app must be developed professionally in order to look attractive and function well, or the user simply won't use it which can cost a business up to $100,000 in developing costs.

Your user doesn't have an iPhone

iBeacons only work with Apple products and a few Android devices. While 25% of the US smartphone owners use iPhones, there is a high percentage that doesn't. iBeacons should not be a retailer's only marketing tool to reach and interact with customers. Studies have shown that Android dominates the world smartphone market and the while the iPhone does well in the US, the adoption in the rest of the world is slow. This means that iBeacons will be slow to gain popularity in the rest of the world.

You need to physically service the iBeacons

iSIGN in the News

CTV News: Alex Romanov provides expert opinion on ALS Ice Bucket Challenge

iSIGN Media Announces Receipt of Initial Point-Of-Sale Data From POS Canada

iSIGN Announcements

i SIGN Media Announces That It Will Not be Proceeding with the Acquisition POS Canada

iSIGN Media Announces Receipt of Initial Point-Of-Sale Data From POS Canada

iSIGN Media Announces a Second Point-of-Sale Data Agreement

iSIGN Media and Graphic Media Expand upon Second Point-of-Sale Data Agreement

iBeacons run on batteries, which will have to be manually changed every three to four months. This means that if there are hundreds of iBeacons in a big-box store like Macy's, each one would have to be located and changed over. What happens if someone moves the iBeacon without permission or the battery dies before you can change it over? The iBeacon ids are added to a server, which might have a dashboard to run campaigns to send notifications for different products. Let's say a random shopper sees the iBeacon and moves it from electronics to baby department to see what happens. The iBeacon will continue to send messages about electronics to the people using the app, despite them being in the baby section. The issue won't be fixed unless someone notices that the beacon has been moved in the server, and updates it or moves it back to electronics.

If the battery dies in the iBeacon before an employee can change it over, they no longer see the broadcasting signal to know its location and must physically track it down in order to insert new batteries. There is a lot of costs associated with having someone physically move and install the beacons, and service them when the time comes every few months.

Message overload will turn users off

While the ability to message consumers can lead to higher engagement, message overload can cause users to delete the app altogether. According to inMarket's study more than one beacon push per location was too much for any customer, and after two or more messages users began deleting the app. If the iBeacon is moved from one section to the other and still sends notifications for the wrong products without an employee noticing, the user might avoid the app or delete it altogether.

It seems that iBeacons have potential for big-box stores that have successful apps in targeting customers. However, as a new technology it does come with its own set up problems and hurdles to overcome. Businesses should not invest all of their marketing dollars and efforts in one technology, such as the iBeacon, since it won't replace traditional marketing. For retailers who want to target their customers with relevant offers, within proximity, products like our Smart Antenna might be the better fit. All we know for now is that targeted mobile messaging is changing the way users shop and will continue to become more prevalent.

Recent News and Happenings here at iSIGN

This month has been exciting for iSIGN as we have finally received Point-of-Sale data from two different sources. This will lead the way for the future of data where we will be able to integrate mobile and POS data. To find out more, read the release here.

Thanks for your continued support and business.

As always, if you have any questions about the content of this newsletter or would like to discuss iSIGN's upcoming projects and recent initiatives, please don't hesitate to contact me.
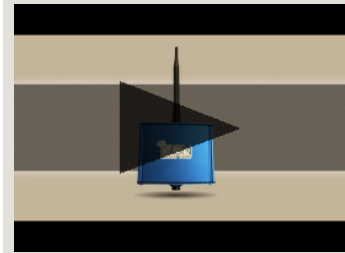
Kind Regards,

Alex Romanov, CEO
iSIGN Media

## iSIGN's Mobile Proximity Marketing Solutions in the News

Alex Romanov sits down with Carol Davidson as a marketing expert in regards to the ALS Ice Bucket Challenge and discusses why it went viral all over social media. Watch the interview **here**.

iSIGN's Smart Antenna comparison to iBeacon Video

iSIGN's proximity marketing solution allows marketers to target their customers with relevant, timely offers, while gathering data and mobile shopper preferences to generate actionable data and reveal valuable consumer insights, without the restrictions of iBeacon.

To view the full video, click here.
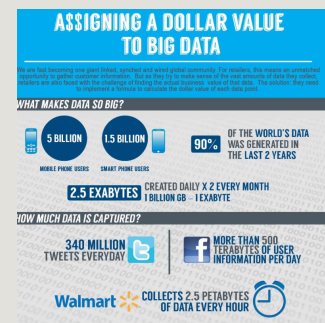
iSIGN's latest infographic, "Assigning a Dollar Value to Big Data" displays the impact of Big Data on retail and examines how much consumer data brands are gathering and utilizing on a global scale.

It also reveals how retailers can determine Big Data's big dollar value and turn large amounts of data into profitable insights and shopper intelligence.

To view iSIGN's Infographic click here.

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