

Mobile - why, what and maybe

By [Kevin Bassett](#)

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Mobile is trending and 2012 won't be any different. But the products will, so here's a look at why, what and maybe. [video]



Q: Why mobile in 2012?

A: 1. [Mobile Commerce](#), following the money in 2011, reveals that in the nine months prior to December, mobile spending doubled to 3.74% of total retail revenue (US). RichRelevance's CEO David Selinger predicts that mobile retail sales will reach 10% by the end of 2012.

A: 2. *Mobile data consumption* is the best measure of mobile activity and [Nielsen](#) reports a 300% year-on-year increase (to 500MB per person per month) in the US's young adult age group (18-34). The fastest growing category in mobile data consumption is Asian youth.

A: 3. *Mobile as a percentage of total data consumption* is climbing and November 2011 topped the charts, when 24% of all online traffic was mobile-originated.

A: 4. *Mobile multi-tasking* will be the big 'enabler' as smartphones and tablets increasingly interact with our daily activities.

What will 'trend' in mobile in 2012?

1. Near field communication (NFC)

My first trend to watch is the technology behind 'Tap to Pay', which will have customers 'tapping' their phones to pay for purchases in retail outlets - [near field communication \(NFC\)](#). A combination of banks, credit card companies, network providers and operating system developers is driving this investment.

Once the major retailers install [NFC](#) technology for payments they will leverage it into their businesses for the identification of customers and the distribution of coupons and vouchers. (Technical explanation: [Wikipedia](#).)

- **Mobile virtual shopping**

PayPal recorded a 397% increase in mobile payments on Cyber-Monday (the Monday after Thanksgiving) and it expects total mobile payments of US\$3.5 billion in 2011.

Virtual shopping is not new but the mobile version will continue to trend ferociously in 2012. The online average order value (AOV) for desktop connections in April was US\$149, while mobile recorded US\$153, a 2.7% difference; by December the AOV difference grew to 9.1% in favour of mobile.

But what might be more important to retailers is mobile sites offering consumers the ability to make product price comparisons en route to the shopping centre, or while standing in the aisle. The sites then show the cheapest online offer - with delivery before you arrive home. Have a look:

- **HTML5**

[HTML5](#) is a relatively new programming language; it is very mobile-friendly. In 2011 the development of Operating System Applications (OS Apps) highlighted the different expectations of mobile and desktop surfers; mobi is not scaled-down web. But OS Apps are operating system-specific and therefore problematic.

I predict that [HTML5](#) will make web-based mobi-apps, that behave like the current OS Apps, possible.

- **Text message marketing (SMS)**

Research shows that 96% of text messages are opened within four minutes - but 85% of marketing emails are not viewed by the intended recipient (blocked or deleted). Opted-in SMS databases are platinum in the marketing alloy blend and will trend in 2012.

- **QR codes and MS Tag**

[Quick response \(QR\) codes](#) and [Microsoft Tags](#) are the product-code 'squares' being seen in the retail market at the moment. Once scanned, these 2D barcodes can open the phone's browser and display a webpage.

[Microsoft has launched](#) a 2D scanner to read all 2D barcodes; this will increase market acceptance.

- **Location-based marketing**

The Holy Grail of marketing is to offer the right deal at the right time - but nothing beats offering in the right place! I believe location-based marketing will boom. Broadly there are two methods:

- Using the network operators to plot the position of a handset based on triangulation from the cellphone masts. This needs the enquirer to opt in to being located.
- Using the navigation software in smartphones to identify proximity to a point. This requires a smartphone and a downloaded app to interface with the navigation software.

And the maybes?

(This is the cool stuff coming...)

- **Indoor location positioning**

Location-based services (LBS) cannot give precise location information indoors; the network operators can identify that you are in a building but not which floor you are on. Navigation systems lose satellite reception indoors and cease to function.

Location positioning takes LBS 'underground'. Systems to operate inside malls, airports, trade fairs, hotels etc are being developed, which will allow for the distribution of specific offers based on exact indoor locations:

- **Audio watermarking**

Systems have been developed that can recognise pre-programmed sound 'objects' and perform actions.

ABC developed an interesting iPad app that listens to TV shows and displays additional content on an iPad while you watch the show. The Greys Anatomy app is a great example:

- **Object recognition and Google Goggles**

It is possible to register images and then identify them when they are scanned with a smartphone loaded with the necessary software. The possibilities for marketing are obvious but the assistance this can give the visually challenged is truly humbling:

Google Goggles is Google's object recognition system which, as one would expect, adds information to object recognition:

- **Augmented reality**

Going a step further, a suitably armed smart phone can recognise an object and super-impose computer-generated information or graphics onto the screen, making the scene interactive and digitally manipulable - [augmented reality](#).

Advertising application video:

- **Articulated naturality web**

Articulated naturality web (ANW) is AR on steroids and close to magic. Imagine pointing your phone at the sky to see the

weather forecast appear on your screen, clouds and all!

Watch this:

• Contact lens computing

My final trend for 2012 is that mobile multi-tasking will become completely seamless in our eyes... er, lives. Fully integrated mobile will be when your screen is a contact lens running ANW. Read [this](#): and watch [this](#).

Predictions in this industry are a fool's work, but if I'm right about one thing, it will be that there are exciting times ahead in mobile commerce, marketing, media and strategy.

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