

NFC Mobile Marketing: Give Your Brand a Voice on the Retail Shelf and Beyond

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Technology in the Enterprise

Gartner®

By 2017, CMOs will spend more on technology than CIOs.

More than ever, multichannel marketing is among the most critical customer-facing, revenue-generating functions.

Source: http://blogs.gartner.com/jake-sorofman/yes-cmos-will-likely-spend-more-on-technology-than-cios-by-2017/

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Redefining the Internet of Things



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Thinfilm's Vision

Add a

little bit

of intelligence





to *a lot* of things.

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Providing digital identities
to physical objects
through *printed electronics*

About Thin Film Electronics

- Publicly listed
- NFC solutions leader:
  integrated hardware and software
- Strong IP Portfolio
  - Over 290 total patents in printed electronics and NFC
- NFC Innovation Center in Silicon Valley
- 150 employees worldwide
- Oslo, San Jose, San Francisco,
  Linköping (Sweden), London, Shanghai
- Broad and diverse global partner ecosystem
  - Manufacturing, assembly, software
  - Packaging, label converters, materials
  - Marketing agencies

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Thinfilm: Innovative NFC Solutions at Scale



- Leading provider of NFC mobile marketing solutions for consumer brands and digital agencies
- Enable brands to connect directly with consumers via smartphone tap
- Extend traditional boundaries of IoT to help create the Internet of Everything (IoE)
- Scaling to the billions of units / year through roll-based manufacturing
- Global leader in the commercialization of printed electronics

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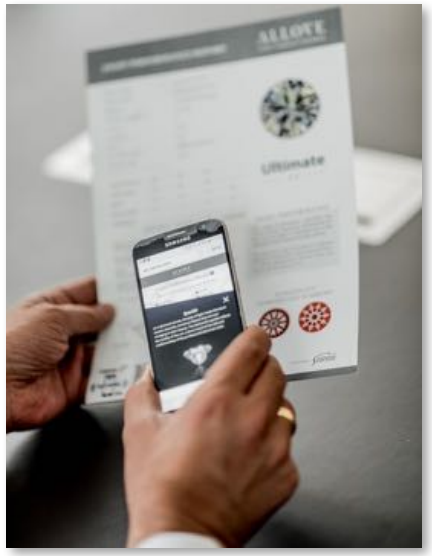
A Little Intelligence Goes a Long Way

BARBADILLO
DESDE 1821





SARINE





YPSOMED
SELFCARE SOLUTIONS

HOPSY.



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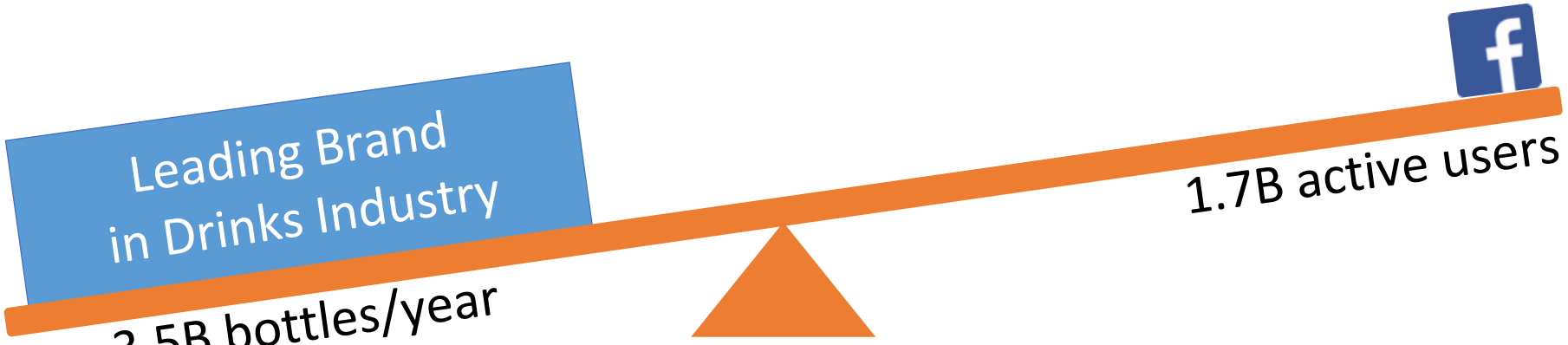
The Product as a Media Channel

An individual media channel capable of reaching today's digital and mobile consumers on their terms





A ubiquitous engagement tool that protects product integrity and is in the hand of virtually every consumer



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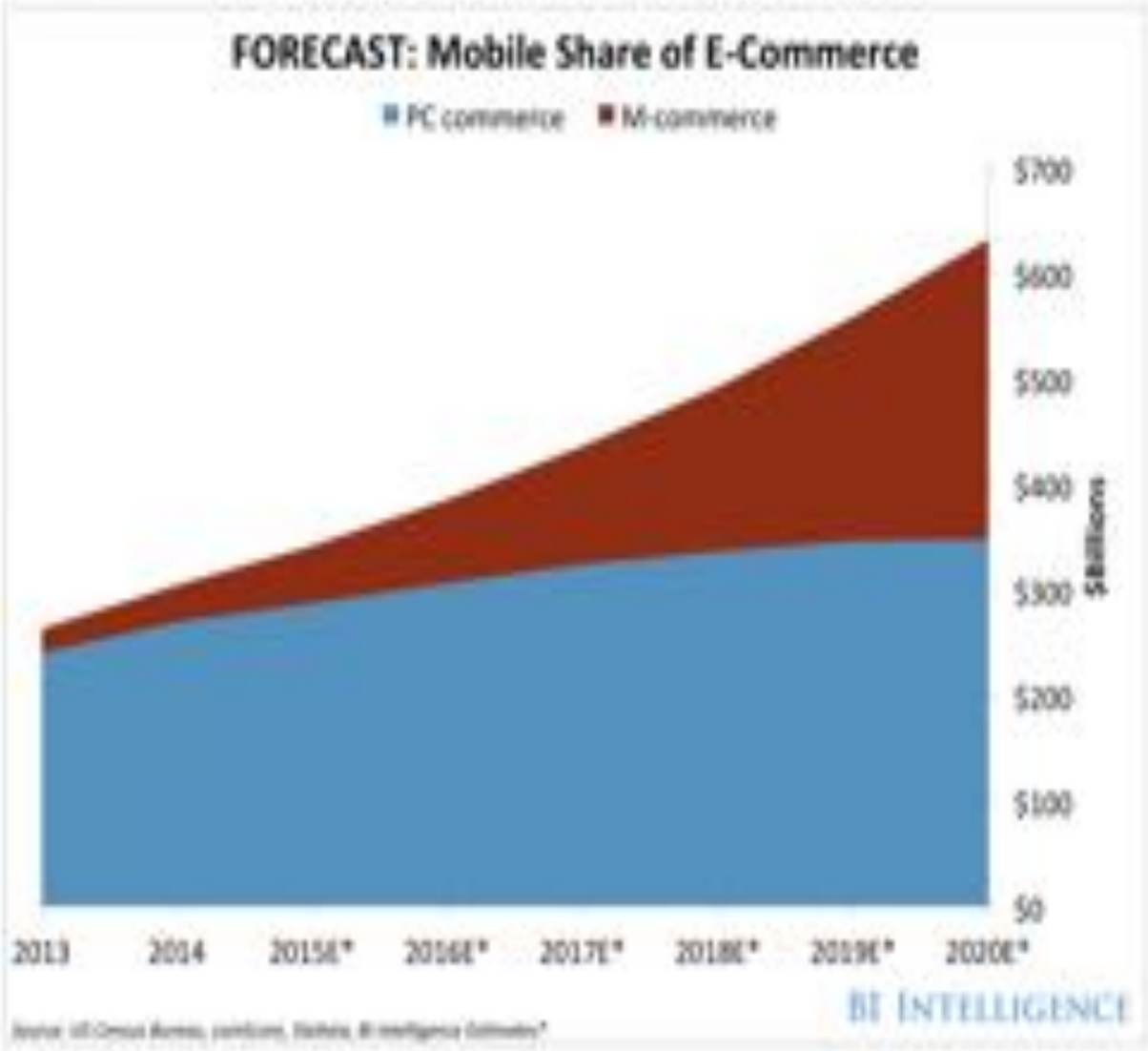
Rise of Mobile Commerce

M-Commerce will reach

$284 billion

45%

of total U.S.
e-commerce by 2020



source: *The Rise of M-Commerce: Mobile Shopping Stats & Trends,* Business Insider, 12/21/2016



Mobile IS Commerce

40%

Ecommerce transactions
from Mobile*

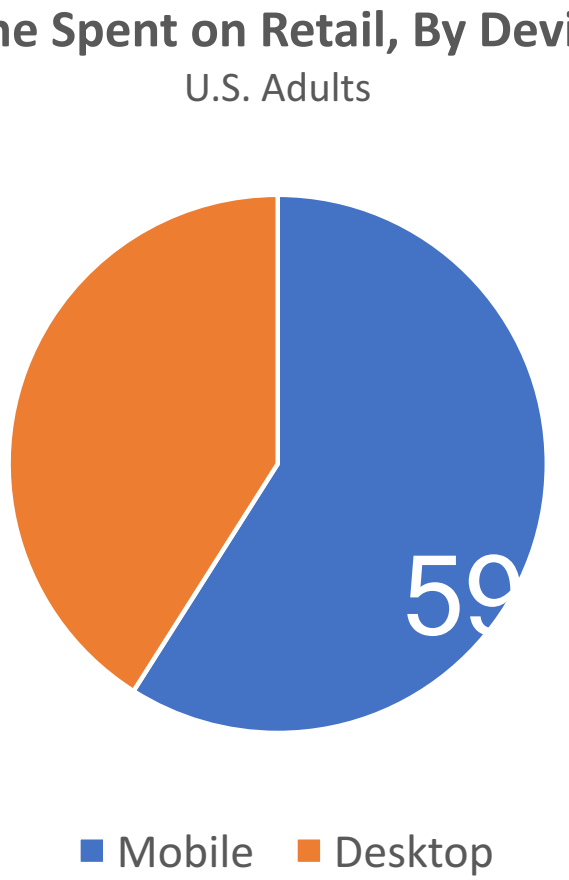
90%

Consumers using
Smartphones in-store**

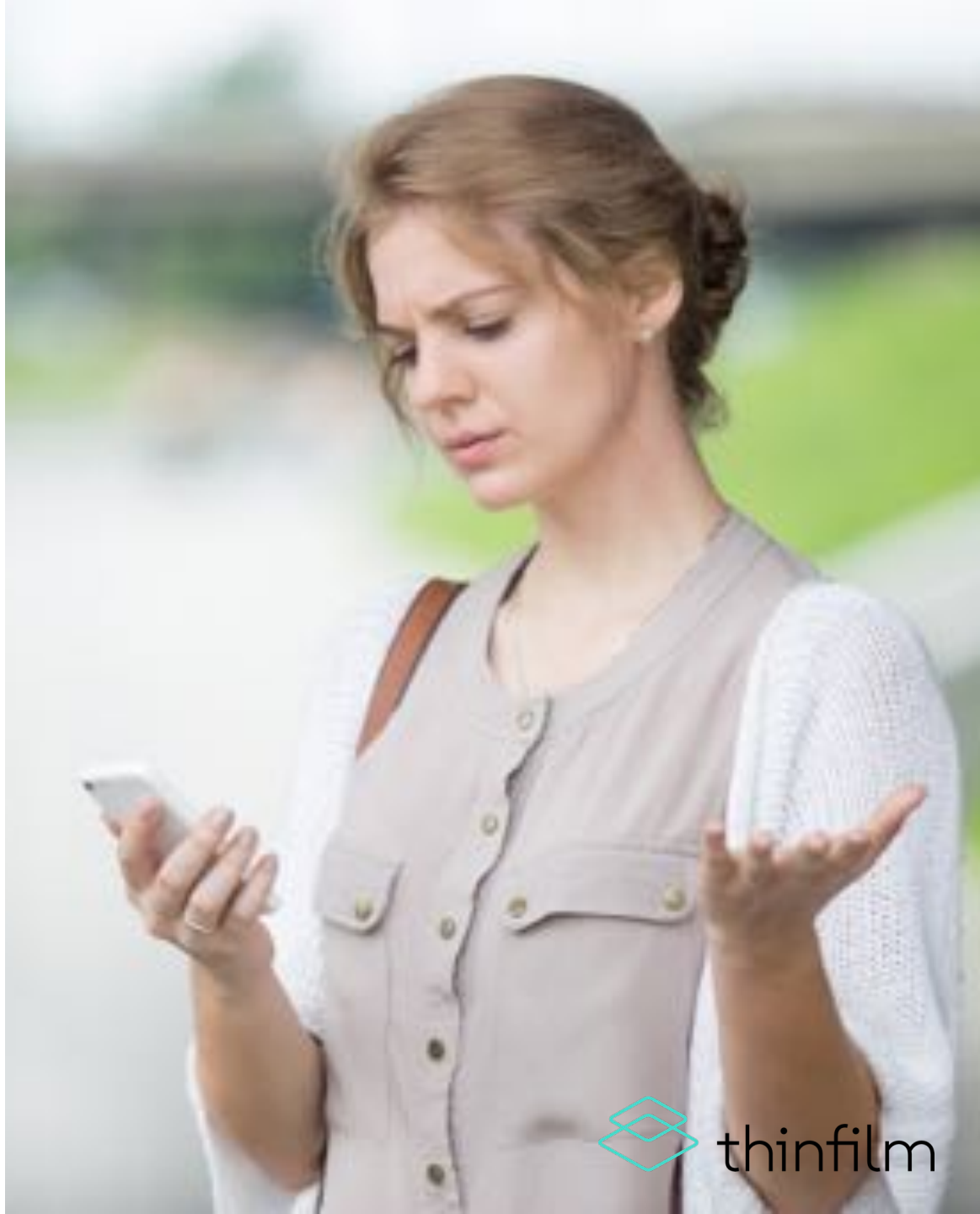
* IMRG Capgemini Quarterly Benchmark, February 2015
** www.marketingland.com, *"Survey: 90% of Retail Shoppers Use Smartphones in Stores", July 20th, 2015*

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M-Commerce Frustrations



source: comScore U.S. Adults Q2/2015; *The Rise of M-Commerce: Mobile Shopping Stats & Trends,* Business Insider, 12/21/2016





Source: Xenopsi, March 2016

But WHOSE voice?

71%

of at-shelf mobile consumers
go to search engines first

1 in 8

visit the brand's own website

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Mobile Millennials want to co-create

42%

want to help companies develop future products and services

Source: Association of National Advertisers, Barkley, SMG, BCG



What’s missing for brands?

Ideal characteristics of an engagement technology for today’s consumers and brands:

1. Credible / trustworthy
2. Authentic / a brand’s own voice
3. Always available
4. Easy to use
5. Sustained across consumer journey



QR Codes are Unappealing

Only 15% of smart device users know how to scan properly

Limited item-level interactivity

Wrong side of the 3-second threshold

Brands and consumers resist them

They are ***ugly***



Dazeinfo.com, Why Did QR Code Die Despite The Smartphone Revolution, 3/20/2015

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Beacons are a Turnoff

64% have privacy concerns

64% feel message overload

55% have security concerns

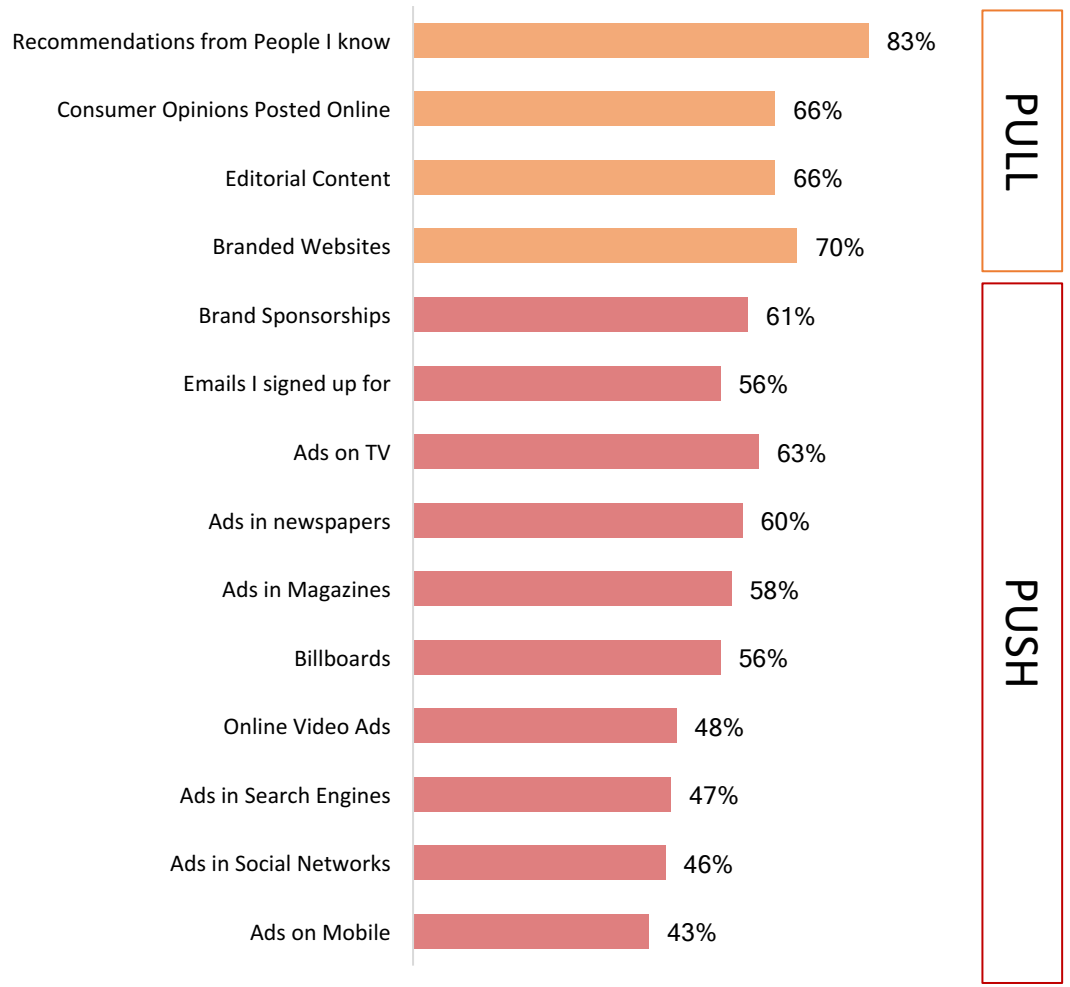
46% find it creepy



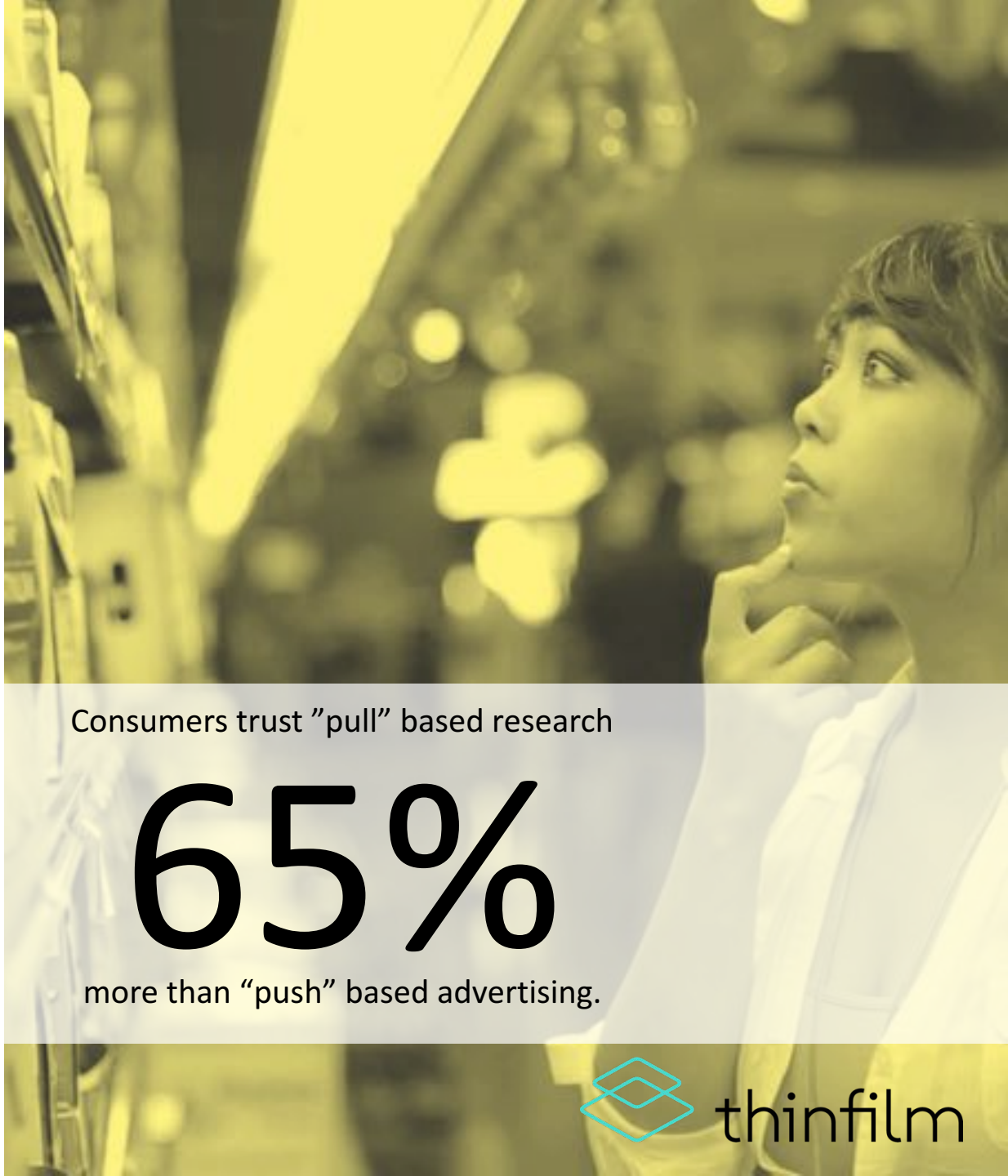
Source: BizTech, *Retail Beacons Are Becoming More Popular, but Their Effectiveness Is Debated*, 8/16/2016

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How do you win mindshare?



Source: Neilsen 2015



Consumers trust ”pull” based research

65%

more than “push” based advertising.

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NFC: Converging Trends



Universal Smartphone Ownership



Mobile-First Attitude



Mobile Payments Readiness



NFC Omni-Channel Marketing

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NFC Is Everywhere



- **1 billion** NFC-capable phones <u>now;</u>
  2 billion by end of 2017
- **$1T** mobile payment market in 2017
- **Android Pay**: US, UK, Singapore, Australia, Hong Kong, Poland, New Zealand, Ireland, Japan, Belgium, Russia, South Korea
- **Samsung Pay**: South Korea, US, China, Spain, Singapore, Australia, Puerto Rico, Brazil, Russia, Thailand, Canada, Malaysia, India, Sweden, UAE, Switzerland, UK, Turkey
- **Apple Pay**: US, UK, Canada, Australia, China, Singapore, Switzerland, France, Hong Kong, Russia, New Zealand, Japan, Spain, Ireland, Taiwan, Italy

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NFC Consumer Engagement

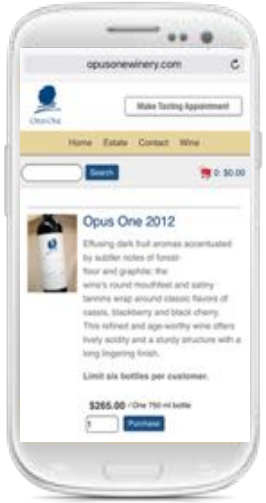
1



Tap to Connect

User taps on smart package featuring NFC SpeedTap™

2



Mobile Commerce



Winery Photo Tour

Mobile device launches content for consumer engagement

3



Thinfilm Dashboard

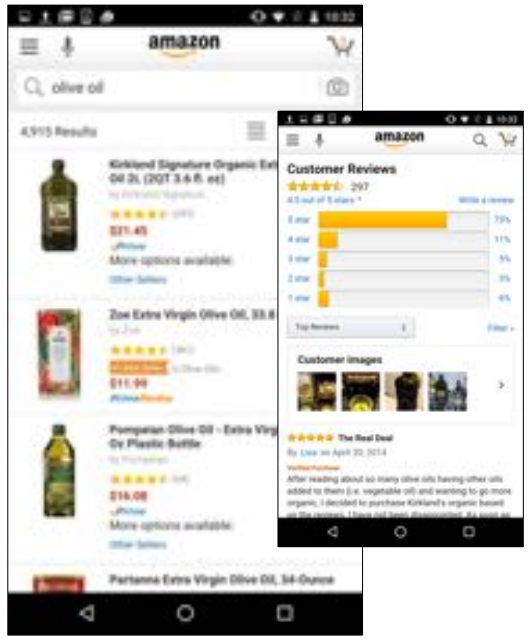
Cloud systems collect analytics and facilitate reporting

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Evolution of the Connected Consumer

Mobile Marketing Today

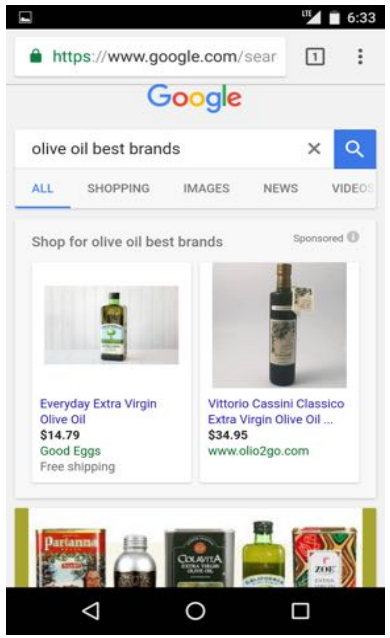
Consumer scrolling



Consumers researching “Olive Oil”

- Consumers looking for good deals and highly reviewed and rated products

Search-directed



Consumers searching “Olive Oil”

- Brands pay for listing in “Sponsored” sections above the fold
- Traffic determined by search provider and influenced by SEO/SEM strategies

Tapping w/ NFC Smartphones

Direct dialogue with Brand



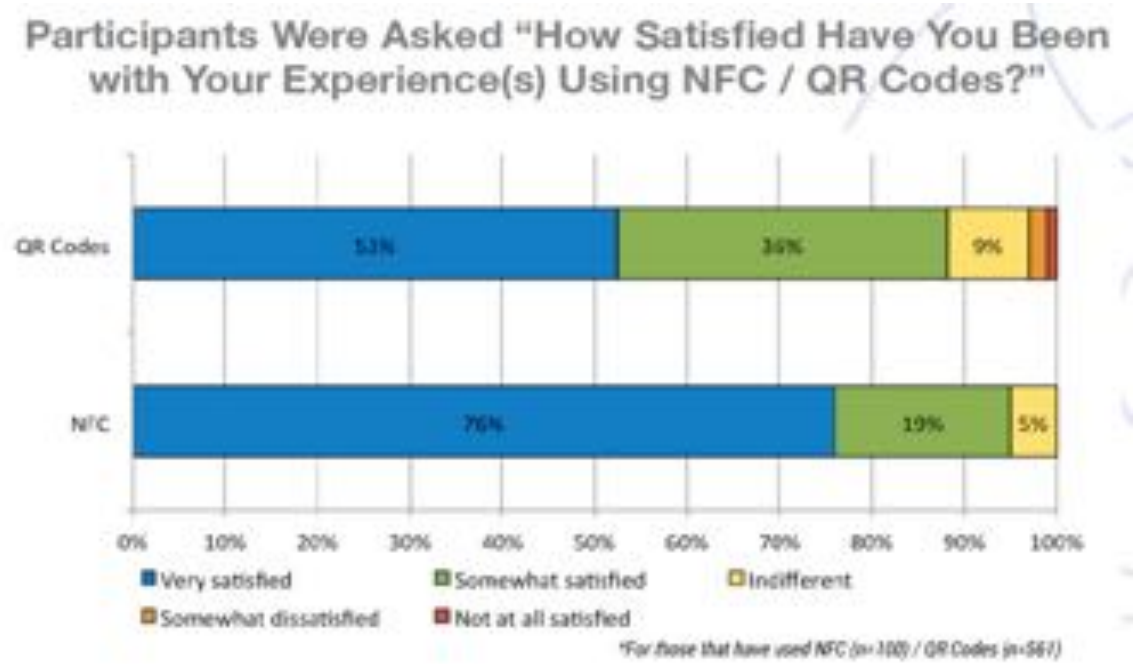
Offline-to-Online (O2O)

- Brands connect directly with consumers when they tap on products

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Users Prefer the NFC Experience





Novice users completed an identical task **31% faster using NFC** compared to a QR code (Strategy Analytics)

After initial use:

- QR code 10-15 sec
- **NFC tag 1-2 sec**

Users prefer NFC based on:

1. Speed
2. Convenience
3. Staying in control

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Engagement Throughout the Journey







Discovery	Purchase	Post-sale / In-Use
Brand-owned Touchpoints		
Mass media (TV, Radio, Newspaper)	Shelf displays & kiosks	Support website & forums
Online ads	On-product promotions	Support phone / chat
Direct mail (awareness, offers)	Brand ambassador in store	Email surveys
Sample giveaways		Direct mail (consumables, warranties)
Bluetooth beacons		

NFC – all via one label

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What can a single NFC label do?

Discovery & Education

- Research products
- Make comparisons
- Read trusted reviews
- Social proof

Purchase

- Customized offers
- Cross-sell complementary products
- Up-sell premium products
- Loyalty integration
- Origin & traceability

Post-sale & In use

- E-commerce integration (reorder, cross/up sell)
- Use tips & tricks
- Product registration & warranty
- Voice of customer

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Push & Pull In the Consumer Journey

	Push	Pull
User experience	Interruption (spam)	Control (opt-in)
User intent	None to low	Very high (in-hand)
Targeting	Limited	Surgical
Context awareness	Limited	Technology dependent
Examples	Mass media Direct mail Online advertising	NFC Web (brand & 3rd party) Opt-in email

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Post-Purchase E-Commerce

Instant, simple ‘Buy Button’
on every product

Encourages brand loyalty

Retention cost << acquisition cost

Post-purchase promotions,
cross-sell, up-sell





NFC In Use:

Korean Red Cross

Korean Red Cross

- ‘Windmill of Hope’ replacing paper-based confirm process with Thinfilm’s NFC solution
- SpeedTap™ tags will drive efficiency and ensure transparency during delivery of relief items
- Custom web interface developed by Korean Red Cross integrates with Thinfilm’s NFC technology
- Volunteers us smartphone to scan delivery receipt with integrated SpeedTap tag once delivery and/or transaction is completed

Thinfilm’s NFC technology could reach more than 20,000 households in South Korea

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NFC In Use:

Coronado Brewing Co.

- Coronado Brewing Co. using Thinfilm NFC Solutions to promote CoastWise beer
- Promotion is in conjunction with Earth Day celebration run by Coronado and the Surfrider Foundation
- ‘Smart coasters’ featuring SpeedTap tags created to drive consumer engagement
- Significant consumer tapping activity through first two weeks of the trial



Thinfilm’s ‘Smart Coaster’

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Wine & Spirits – Barbadillo

BARBADILLO
DESDE 1821

- Barbadillo using OpenSense™ to authenticate bottles of rare sherry
- Solution specifically designed to thwart counterfeiters, prevent unauthorized refills, and facilitate product authentication



"Given the rarity of this release and its significance to the Barbadillo family, we feel compelled to protect it. Thinfilm's technology delivers that protection, for our business and our valued consumers."
– Manuel Barbadillo, Chairman, Barbadillo

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Diamonds – Sarine Technologies

- Thinfilm and Sarine using NFC to create digital identities for diamonds
- SpeedTap™ integrated into Sarine Profile™ sales and consumer support system
- Tags tell each diamond's story in real-time, supports buying decisions with scientific accuracy, and provides digital proof of lineage and ownership.



"Sarine is leveraging world-leading NFC technology to advance the performance of Sarine Profile in jewelry retail settings in real time."
– Uzi Levami, CEO,Sarine Technologies.

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Pharma & Folded Cartons – Jones Packaging



- Promoting user education, safety, and compliance in Rx/OTC packaging
- Established key manufacturing processes for high-speed/high-volume production lines



"Thinfilm's unique printed NFC solution addresses multiple needs and allows our customers to connect the world of physical packaging to virtual and dynamic content – it's a very unique and compelling proposition."
– Chris Jones Harris, Principal, Strategic Initiatives and Alliances

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Ypsomed – Single-Use Medical Devices

YPSOMED
SELFCARE SOLUTIONS

- Incorporate Thinfilm OpenSense™ technology into YpsoMate® autoinjector to improve patient self-care compliance
- Patients receive compliance assistance such as adherence history, injection reminders, usage guidelines, and refill instructions
- Extends the dialogue between patients, doctors, and brands



"We believe Thinfilm's NFC OpenSense™ can be of significant value to YpsoMate® users across the globe, and we look forward to leveraging this next-generation technology to help improve patient adherence."
– Simon Michel, CEO, Ypsomed

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Craft Beer – Hopsy

- Thinfilm and Hopsy delivering “smart beer” to the craft brew market
- Partnership to integrate OpenSense™ into locally produced craft beers across the United States
- Enables microbreweries to engage with consumers, educate customers, and differentiate their brands



“We believe Thinfilm’s technology gives our partner breweries a powerful tool to connect with their customers beyond the brewery.”
– Sebastien Tron, Co-Founder & CEO, Hopsy

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Visualizing Real-World Activity in the Cloud

- Dynamic, contextually relevant experience management
    - Product type & Unique ID
    - Product state (open/sealed)
    - Location
    - Number of taps
    - Date/time
- Tap history analytics of fresh first-party data
    - Device ID
    - Date & time
    - Location attributes
    - Product attributes

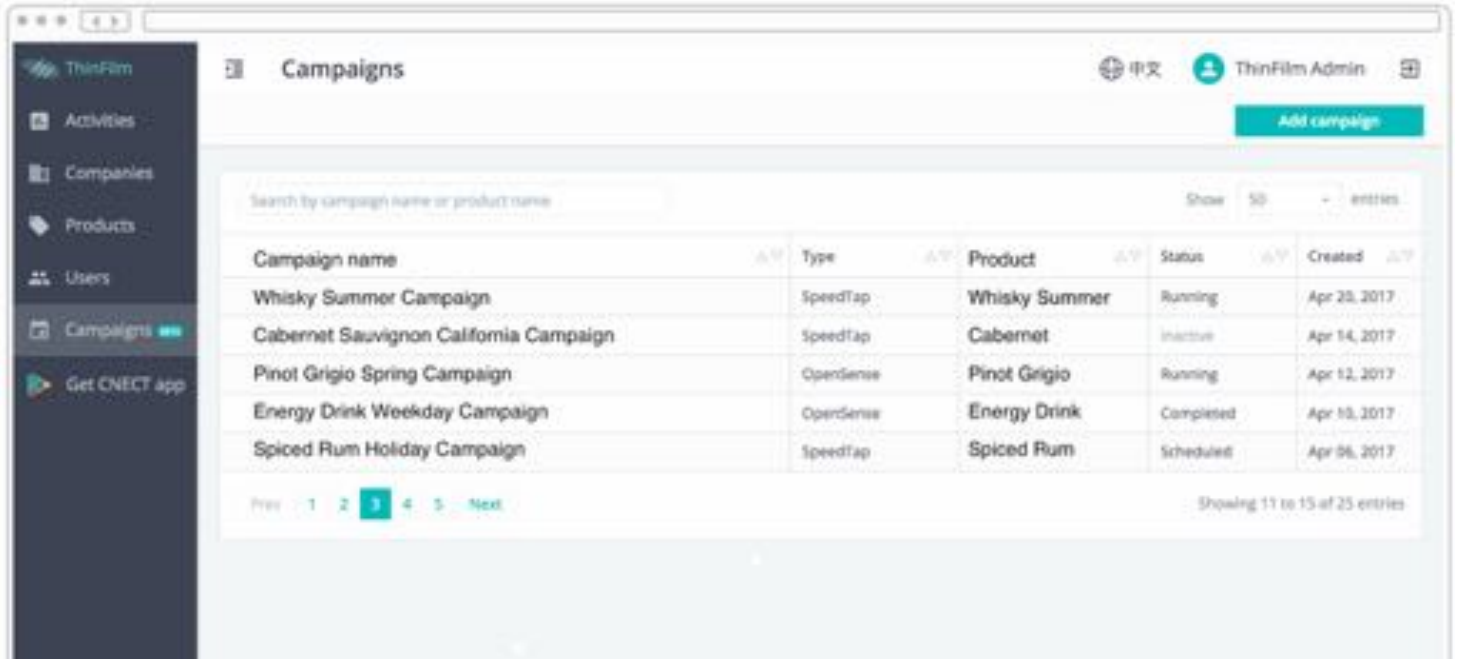


Note: Product & supply chain Information must be supplied to Thinfilm for input into the database

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NFC Campaign Management

- Create, manage and update campaigns based on real-time first-party data
- Make decisions based on campaign attribution data by item level, location, date & time



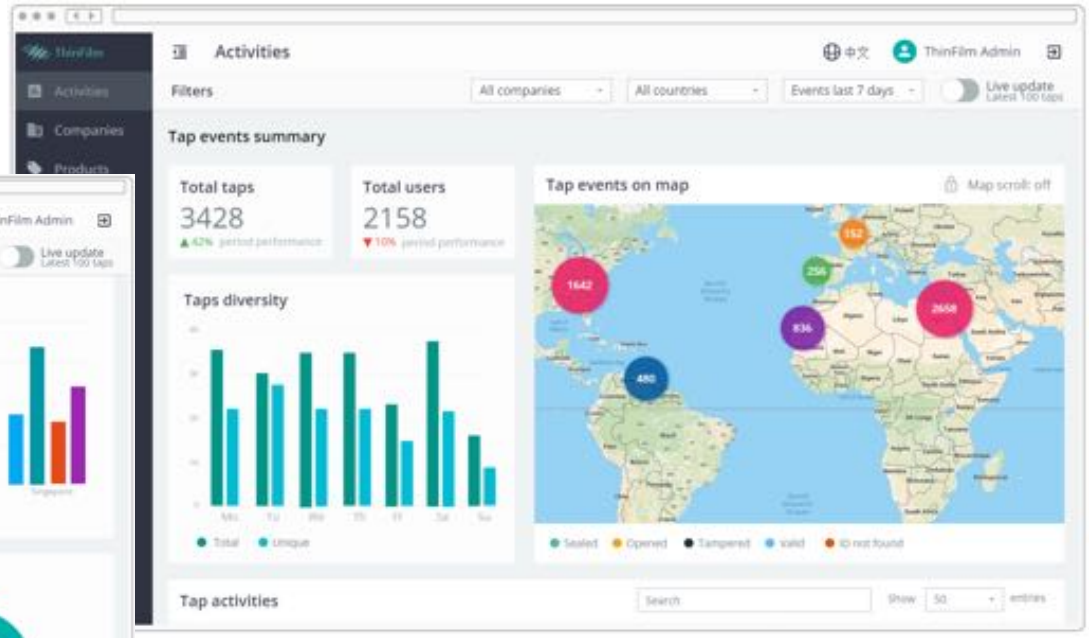
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Analytics & Insights

Essential Insights

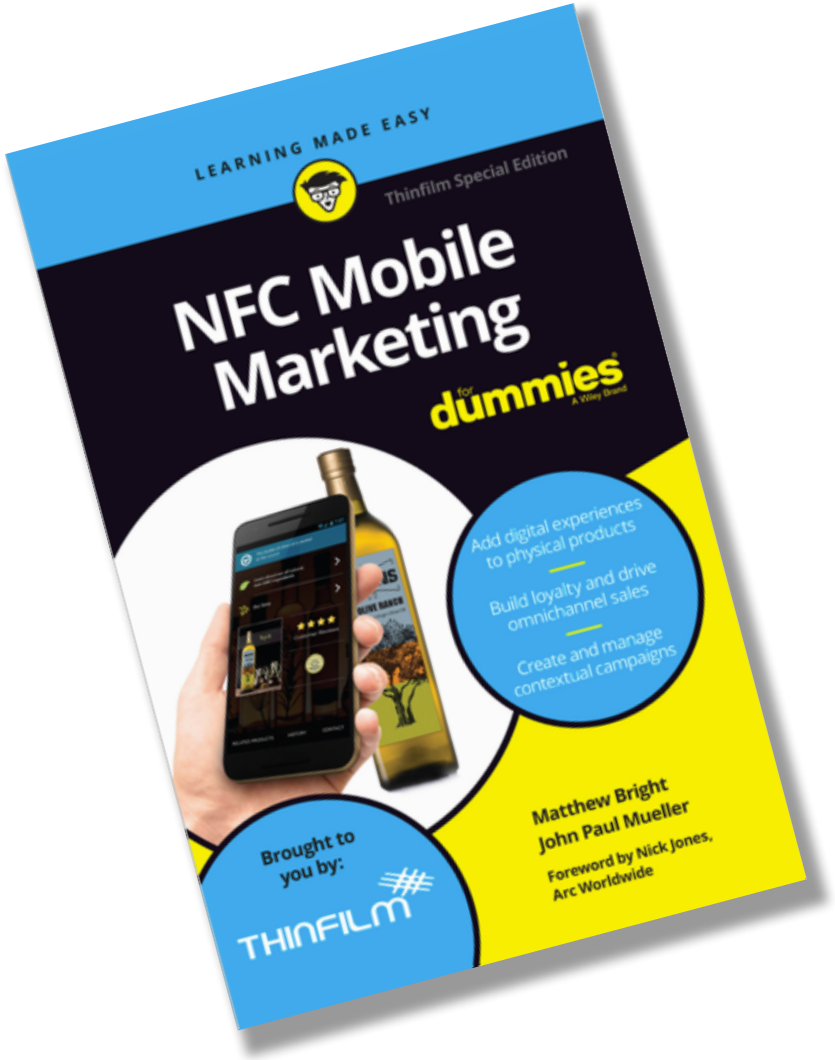
- Where and when do consumers engage with products?
- What do consumers consider & what leads to purchase?
- What products do consumers re-engage after purchase?
- How frequently do consumers engage?
- What drives loyalty and re-order/refill?





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Now Available: NFC Mobile Marketing For Dummies®



- Guide for consumer brands and digital agencies that want to get started in mobile marketing using NFC as a core technology
- Foreword by Nick Jones, EVP Global Business Development & Innovation, Arc Worldwide
- E-book available for download on http://thinfilm.no/mma

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