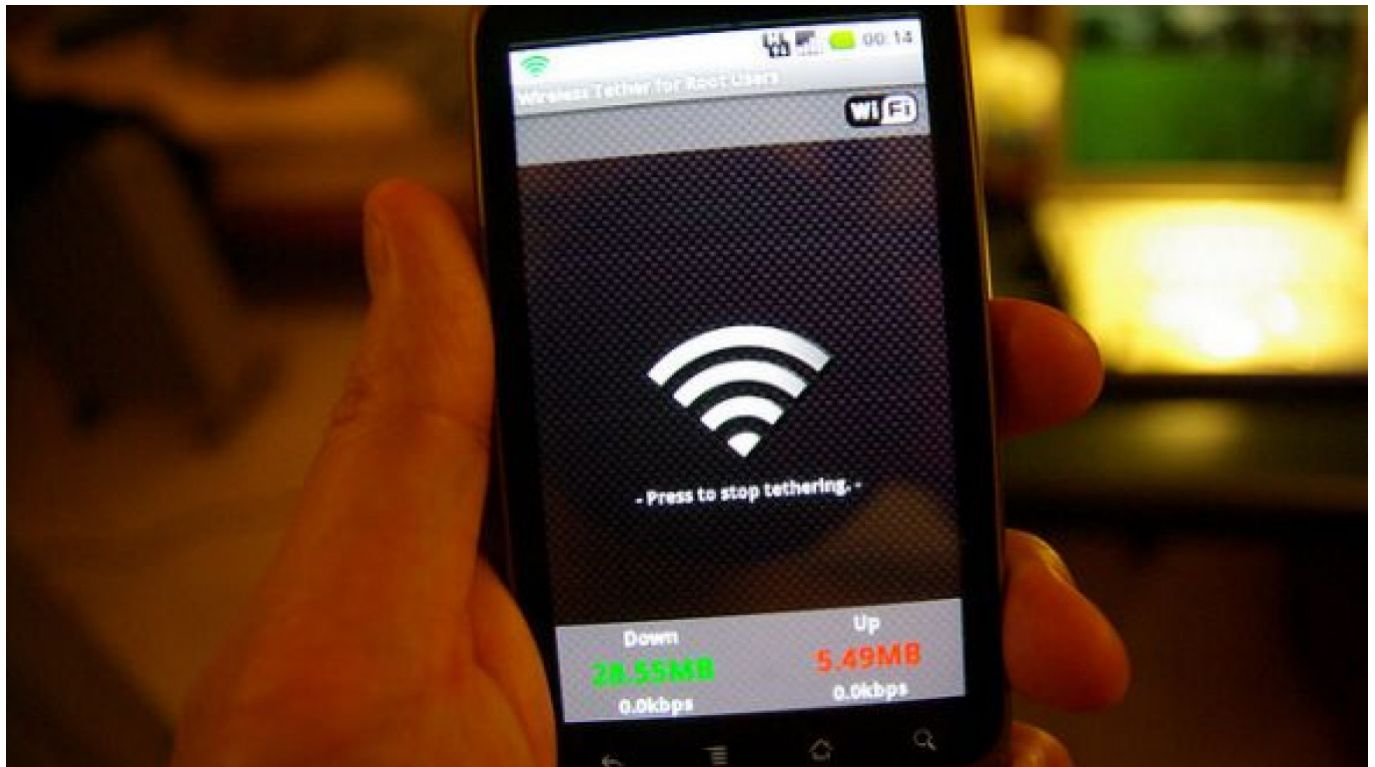


Retailers Using WiFi to 'Spy on Customers'

By [The Moscow Times](#)

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The WiFi signals emitted from one's smartphone will be used to monitor customer behavior. **Cedric Sam**

Watcom Group, a Russian company that specializes in gathering data on customer volumes, has launched a customer tracking service for malls to give retailers an insight into shoppers' preferences, a news report said Monday.

The Shopster Analytics service will monitor the movement of customers using the WiFi signals emitted from their smartphones to gather real-time data on their behavior.

Company analytics will be able to tell how many customers decided to go into a shop instead of walking past it, how much time they spent there, what route they took while moving about the shopping center and how often a shopper comes to the same store twice.

Using the data, shopping center owners and retailers can make an informed decision about how to change the store's layout and predict whether opening a shop in a particular mall

would bring the desired payback. On the whole, introducing a tracking system could help retailers increase their revenues by 2.5 times, said Watcom president Roman Skorokhodov, Vedomosti reported.

At the same time customer privacy would not be violated, because cell phone MAC addresses do not include personal information, such as name, address, telephone number or e-mail, a company spokesman said.

Earlier this year a heated discussion erupted in the U.S. as to whether it was legal to spy on customers amid reports that Euclid Analytics was using WiFi signals from mobile phones to track shopper behavior. Fashion retailer Nordstrom was reportedly using the service at several of its shops.

After complaints from customers the retailer stopped using the service.

But Russian clothes retailer Gloria Jeans, which has looked into several customer tracking services, said that the system was far from being perfect.

Not all customers have smartphones and out of those who do, not everyone turns on their WiFi because it runs down the battery, company executive Vladislav Golovkin said. Also, the system does not give any personal information about the customer, such as age and gender, he added.

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