Chapter 1

Understanding QR Codes

● ●●

In This Chapter

▶ Defining QR Codes and explaining what they do

▶ Using QR Codes to connect the offline world with online content

▶ Understanding the value of QR Codes to your business

● ●●

*Y*ou've probably seen more than your share of QR Codes. They seem to be popping up everywhere — magazines, direct mail, billboards, resumes, online, and even as tattoos on people's bodies.

I clearly remember the first time I saw a QR Code. Puzzled, I thought it looked like an aerial view of a cornfield maze created by farmers, or maybe even aliens! Fortunately, QR Codes aren't the work of farmers — or part of a sinister alien invasion — but their potential for organizations of all kinds is truly out of this world.

In this chapter, I explain what QR Codes are and how they're different from other types of barcodes. I also make the business case for QR Codes, show you who's using them — and who will be using them soon — and why they should be a permanent addition to your marketing toolbox.

Introducing QR Codes

Here's a trivia question for your next dinner party. What's the *QR* in *QR Code* stand for? Answer: Quick Response. QR Codes are a quick way to access information. That was the intent when they were first used in the auto industry to track parts. No more tracking long serial numbers — just scan and go. It's not surprising that businesses quickly saw the value of QR Codes on things other than fenders and bumpers.

Your basic QR Code, as shown in Figure 1-1, is a two-dimensional barcode comprised of small black squares within a larger square on a white background.

Figure 1-1: A QR Code.

You can access the information encoded on a QR Code with a smartphone equipped with a QR Code reader, as shown in Figure 1-2. The reader interprets the data on the code and redirects the phone's web browser to a destination predetermined by the code creator.

You can put a QR Code just about anywhere, including in these places:

- On a business card
- On a billboard
- In a book
- On a poster
- On a website
- On a carton
- On a sign
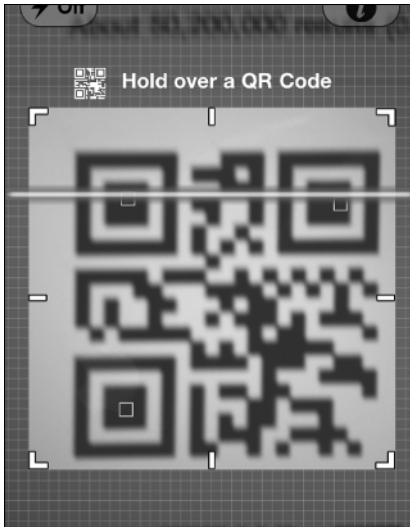- On a wristband
- In an ad
- On top of a cake

Figure 1-2: Reading a QR Code by scanning it with a smartphone.

Where you can put a QR Code is limited only by your imagination.

In addition to appearing just about anywhere, a QR Code can accomplish a lot. You can do all these things — and more — with a QR Code:

- ✔ Open a web page.
- ✔ Begin a video.
- ✔ Make a payment.
- ✔ Play a song.
- ✔ Open a document.
- ✔ Like a Facebook page.
- ✔ Board a plane.
- ✔ Deliver a coupon.
- ✔ Download a smartphone app.
- ✔ Dial a phone number.
- ✔ Pass along a business card.

TIP

Here's an easy way to remember what a QR Code is: It's an *offline hyperlink.* Just as online hyperlinks, when clicked, can open every kind of content imaginable, QR Codes are their offline equivalent. They link content to more content.

Scan the QR Code in the left margin for a brief video introduction to QR Code technology from Scan.me.

Comparing QR Codes to Traditional Barcodes

QR Codes have been around since the 1990s, but traditional two-dimensional barcodes have been around for decades. It's safe to say that although the average consumer is becoming more aware of QR Codes, recognition of barcodes and what they're used for is probably close to 100 percent.

Barcodes and QR Codes both allow you to store information in a tiny space. If that's true, why not just use the more recognizable barcode instead of a QR Code? The answer is data: you can store more of it on a QR Code (see Figure 1-3). In a regular barcode you can encode data only vertically. In a QR code you can encode data both vertically and horizontally.
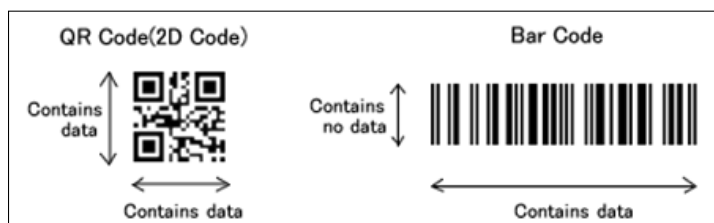
Figure 1-3: A QR Code allows you to store more information than a barcode.

QR Codes have these other advantages over barcodes:

- **QR Codes are readable from any direction.** If you've ever self-scanned your groceries at the supermarket, you know how picky traditional barcodes can be.

- **QR Codes are generally more durable.** The info in them can be decoded even if part of the QR Code is missing or damaged.

The jury is out on whether QR Codes will ultimately replace barcodes altogether. In a culture that prizes lots of information, data-rich QR Codes could easily be the barcode of the future.

Don't crown QR Codes the king of the barcodes just yet. In Chapter 9, I show you new alternatives to QR Codes that might just usurp their place on the barcode throne.

Bridging the Offline World with Online Content

The main value of QR Codes is that they quickly and easily link the offline world with online content. Until recently, offline and online content have been like the Earth and the Moon: two separate worlds. Offline, a business owner may have a sign outside her business with details on hours and specials. Online, she may have a website with the very same information.

However, a QR Code on a sign outside the store can bridge the two worlds (see Figure 1-4).

Figure 1-4: QR Codes can make ordinary store signs more engaging to patrons by linking them to interesting and relevant online content.

Duplicating information is one option, although I show you in Chapter 5 that's not the best use of QR Codes. Scanning a QR Code is at least as easy as, and more effective than, taking a picture for shoppers who want to "know and go."

A better way to use QR Codes is to have them to do something the medium they're on, in this case a sign, can't do. For example, if the sign features daily specials, a QR Code can open a page of pictures of menu items to whet the customer's appetite. Or it could link to the restaurant's full menu or to the latest customer reviews.

The offline and online worlds are no longer separate. QR Codes are the bridge between the two.

Making the Business Case for QR Codes

You picked up this book, so you may already see the business value of QR Codes. I can quickly confirm that your assumption is right.

- ✔ **QR Code use is growing.** QR could easily stand for *quick rise.* According to Scanbuy, a leading mobile marketing company, in the third quarter of 2011, 44,000 Codes were generated — compare that to just 17,000 in the third quarter of 2010. The 44,000 codes accounted for more than 400,000 scans combined, an increase of 39 percent over 2010 results.

- ✔ **QR Codes deliver the information consumers want.** The Internet has created a whole layer of content that consumers consult before they buy or act on just about anything. Google has a good name for it: the Zero Moment of Truth (or ZMOT). More and more, this information is accessed via smartphones. QR Codes are an easy way for smartphone-toting shoppers to retrieve it.

- ✔ **QR Codes are made for the mobile consumer.** According to a Nielsen study in late 2011, more than 60 percent of 25- to 35-year-olds own smartphones. And among those 18–24 and 35–44 years old, smartphone owners hover near 54 percent. Even smartphone use among 55- to 64-year-olds is at 30 percent, up 5 percent in just one quarter. QR Codes are one of the best tools available to market to smartphone users, which someday soon will probably include just about everyone.

✔ **QR Codes are tiny, but powerful.** QR Codes can link to just about any kind of online content and display in just about any size. (See Figure 1-5 for an example of a billboard-sized QR Code.) But smaller will be the norm as QR Codes are more widely used and recognized. Shoppers are used to seeing barcodes on the tags of products they buy. Soon, they can expect to see QR Codes and be willing to search for them like most people search for barcodes in the self-checkout line at the supermarket.

Figure 1-5: QR Codes can be just about any size, but needn't be this big to be effective. Unless you like them this way.

Small is good for QR Codes, but not so small that they can't be scanned by a QR Code reader. Make sure your QR Code is at least one square inch with at least four millimeters of white space around it. See Chapter 3 for more guidelines.

✔ **QR Codes are versatile.** Most QR Code generators allow you to change the content they point to without changing the code itself. For example, if a QR Code near your register links customers to your monthly specials, the QR Code image can stay the same when the specials change. Just go online and change what it points to.

✔ **QR Codes are trackable.** Are you worried that your boss will question the value of this new technology and its return on investment? The good news is that you can track when and where your code was accessed, what type of phone was used, and the number of repeat visitors, among other things. Just like the Google Analytics you use to analyze the visits to your company website, analytics for QR Codes can keep tabs on visitors, analyze results, and help you adjust your marketing campaigns so they're more effective.

Looking at Who's Using QR Codes Today, Tomorrow

Research shows that men, ages 18 to 34, scan most QR Codes. They tend to be educated, and one-third make more than $100,000 a year. Men have been the primary audience downloading QR Codes since their inception in the early 1990s.

It shouldn't surprise you that men were the early adopters of QR Codes, nor should you assume they will always be the primary audience. If the history of other new technologies is a good teacher, the audience of QR Codes will shift to other key audiences over time.

Take the automobile, for instance. In 1900, more than 4,000 were built in the United States. At the time, the U. S. had a population of 76 million. Early car buyers and drivers were prosperous, educated men. Of course, that changed as the car became more commonplace in American culture. Today, both men and women buy cars.

More recently, young, educated men adopted technology such as Foursquare that allows them to share their location with friends and for nearby businesses to deliver location-based news, discounts, and specials. But that audience is shifting, too, and understanding why isn't difficult. Men might sometimes adopt products first, but women take it over because they do most of the shopping. According to The Boston Consulting Group, women control two-thirds, or 12 trillion dollars, of household spending.

Women are scanning QR Codes to unlock discounts, promotions, and giveaways. In a recent survey, 46 percent of respondents said they scanned a QR Code to get a discount. Women are driving these downloads and pushing businesses to create QR Codes that meet their needs.

Some businesses are already responding, according to *Adweek*. In 2011, women's magazines led the pack in QR Code use. *InStyle* was number one, with 141 codes that year. It was followed by *People* (136), *Self* (126), and *Entertainment Weekly* (123).

Beauty, home, and fashion brands are also using QR Codes in magazine advertising. In 2011, John Frieda used 82 codes; L'Oréal used 79; Cuisinart, 74; Garnier, 72; and Revlon, 67.

Men may be scanning more QR Codes than women, but if the history of automobile buying is any indication, it won't be long before women take their rightful place in the driver's seat.

Here's something that may quicken QR Code adoption among men and women and make them a household item: As QR Code use reaches a tipping point, the major mobile device makers (for example Apple and BlackBerry) may make QR readers — the app you currently need to download to read a QR Code — standard equipment on all their devices, as they already are on BlackBerry devices. Maybe even as part of the smartphone camera, as illustrated by technology journalist Wayne Sutton in Figure 1-6.
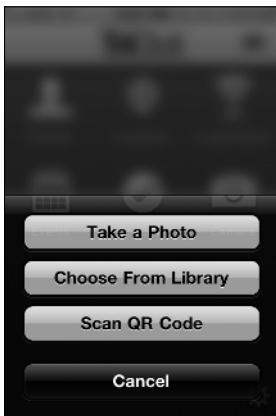

Figure 1-6: A native QR Code reader on smartphones would elevate QR Codes from curiosity to household name in a very short time.

Such a move would dramatically increase QR Code scanning. It would do for QR Codes what Google Maps has done for directions: made it a regular part of the mobile experience.

Stay tuned!

Something for everyone

QR Codes aren't just for the average consumer or for business-to-consumer companies. Companies that sell business to business can also use them. One innovative business, CRT Industrial Equipment, Inc., is using QR Codes to service customers who are spending up to $100,000 on just one piece of equipment. (See the following figure where the QR Code on the machine links you to a page where you can request a service or view online manuals. Scan it for yourself and see.)