Kenshoo™

GUIDESERIES

The Kenshoo Guide to Local Search

WHAT YOU WILL FIND IN THIS GUIDE:

- Overview of the digital opportunity in local search
- Four key channels of local search
- How SMBs approach local search
- Challenge of going local at scale for national brands
- Q&A with Local Search Association president Neg Norton
- The impact of mobile on local marketing
- 10 trends shaping local search and tips on how to win at each
- Marketer perspectives on scaling your business for local search

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Local: An Incredible Opportunity for Digital Marketers

What Exactly is Local Marketing?

Local marketing is not an advertising channel such as TV, print, search engine marketing (SEM), social, etc. In fact, there's local TV, local print, local search, local social, etc.

Local marketing is really about the focus of the program itself. It's about adapting messaging and targeting to reach a local audience and best influence those consumers to take action at a local level.

- **Local-local:** local organizations that try to try to stimulate business within their area (i.e. a local hardware store or small regional chain of hardware stores)
- **National-local:** national (or even global) advertisers that customize their programs in order to compete on a local level (i.e. a large hardware chain with many individual store locations)

Local marketing can sometimes get overshadowed by global and national efforts which tend to get more publicity and exposure in the industry. For example, consider the attention that a huge, viral campaign around the world's most recognizable athlete would receive versus a $10 off coupon for your next trip to the sporting goods store.

But, make no mistake:
local marketing is a big deal!

According to BIA/Kelsey, local marketing will reach almost $136 billion in the U.S. alone in 2014 with $29 billion of that going to digital. To put that into perspective, J.P. Morgan reports that total U.S. digital ad spending will be $47.7 billion in 2013.

This means that more than half of all U.S. digital ad spending will have a local focus.

TIP

Despite increased competitive spending, there is tremendous opportunity to win as 50% of local searches are conducted without a specific business in mind.

Growth in Digitally-Focused Local

In terms of growth potential, there is a major opportunity for digital marketers to gain a bigger piece of local advertising budgets. The chart below shows that even though U.S. local ad spending is expected to increase year-over-year, it's easy to see that traditional ad spending is plateauing and the growth is really going to be in digital.

In 2012, digital represented just 17% of U.S. local ad dollars, but by 2017, that will grow to 28%! And remember, that's with total spending increasing too! So, not only will digital be a bigger slice of the pie very soon, but the pie itself is growing as well.
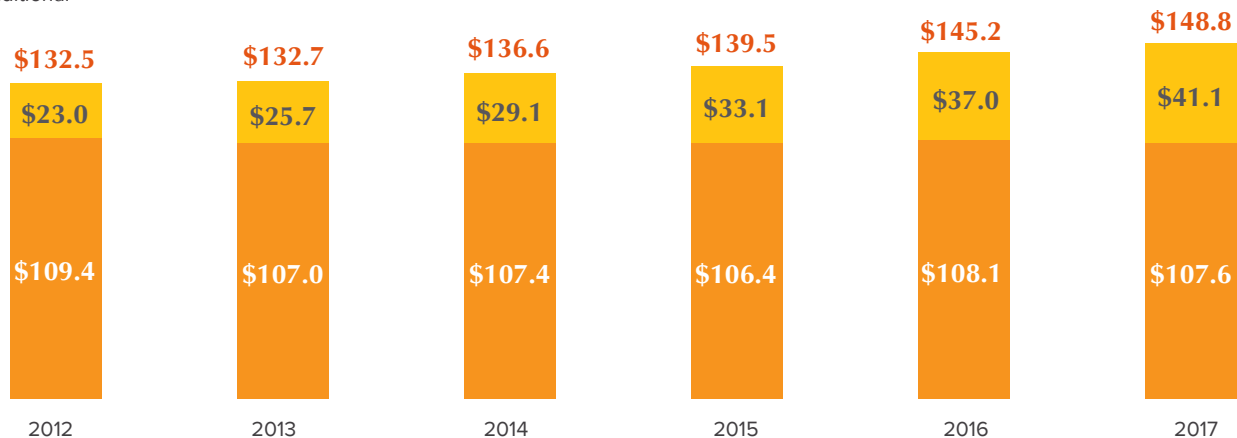
With so many dollars flowing to local digital advertising, finding ways to connect with consumers while they are in discovery mode and researching goods and services has become a cornerstone of local media plans. Marketers who capitalize on these trends position themselves best for growth.

This guide is intended to better educate marketers — especially paid search marketers — on the local digital landscape, challenges for different types of marketers, and best practices for local search marketing.

US Local Digital and Traditional Ad Spending 2012-2017
billions

■ Digital
■ Traditional

	2012	2013	2014	2015	2016	2017
Total	$132.5	$132.7	$136.6	$139.5	$145.2	$148.8
Digital	$23.0	$25.7	$29.1	$33.1	$37.0	$41.1
Traditional	$109.4	$107.0	$107.4	$106.4	$108.1	$107.6

Note: numbers may not add up to total due to rounding
Source: BIA/Kelsey, "US Local Media Forecast: 2012-2017," www.eMarketer.com

Local Search Overview

What is Local Search?

Local search is all about the consumer and his or her locally-focused intent while in the discovery phase of shopping for goods and services. As it stands, nearly all consumers (97 percent) now use online media when researching products or services in their local area.

With non-local search behavior on the Web, consumers can be all over the spectrum with regards to the kind of information they're looking for. For example, a search engine query that contains the word *restaurant* could mean the consumer is looking for information on how to run a restaurant or get into the restaurant business; they could be looking for restaurant-quality cookware or kitchen supplies, cookbooks, or a million other intentions.

However, when a consumer is engaged in local search, he or she is generally <u>a bit further down the funnel</u>:

▶ **43%** of local search leads to a walk-in

▶ **66%** of Americans use local search to find a local business

▶ **88%** of mobile search queries lead to a purchase within 24 hours

Thus, a local search that contains the word restaurant would probably be for finding specific information about a specific restaurant such as distance from the consumer's location, hours of operation, and contact information.

Competition in Local Search

Unlike in national/global industries where a handful of enterprise players compete for dollars, the local search arena can be highly saturated with advertisers. For instance, <u>a Search Engine Land contributor</u> estimates that there are around 600 florists in Miami, 1700 accountants in New York City, 390 Web designers in Seattle, 475 plastic surgeons and dermatologists in Los Angeles, and a whopping 6,000 attorneys in Dallas!

This intense level of competition fuels the complexity of local search. When a consumer is researching a category online for local information either via desktop/laptop, tablet, or smart phone, it's vitally important for businesses to be able to be easily found at this crucial inflection point.

Although local marketing programs engage in a variety of tactics, it would be hard to overemphasize the importance the role that mastering local search plays in a successful local, digital marketing strategy.
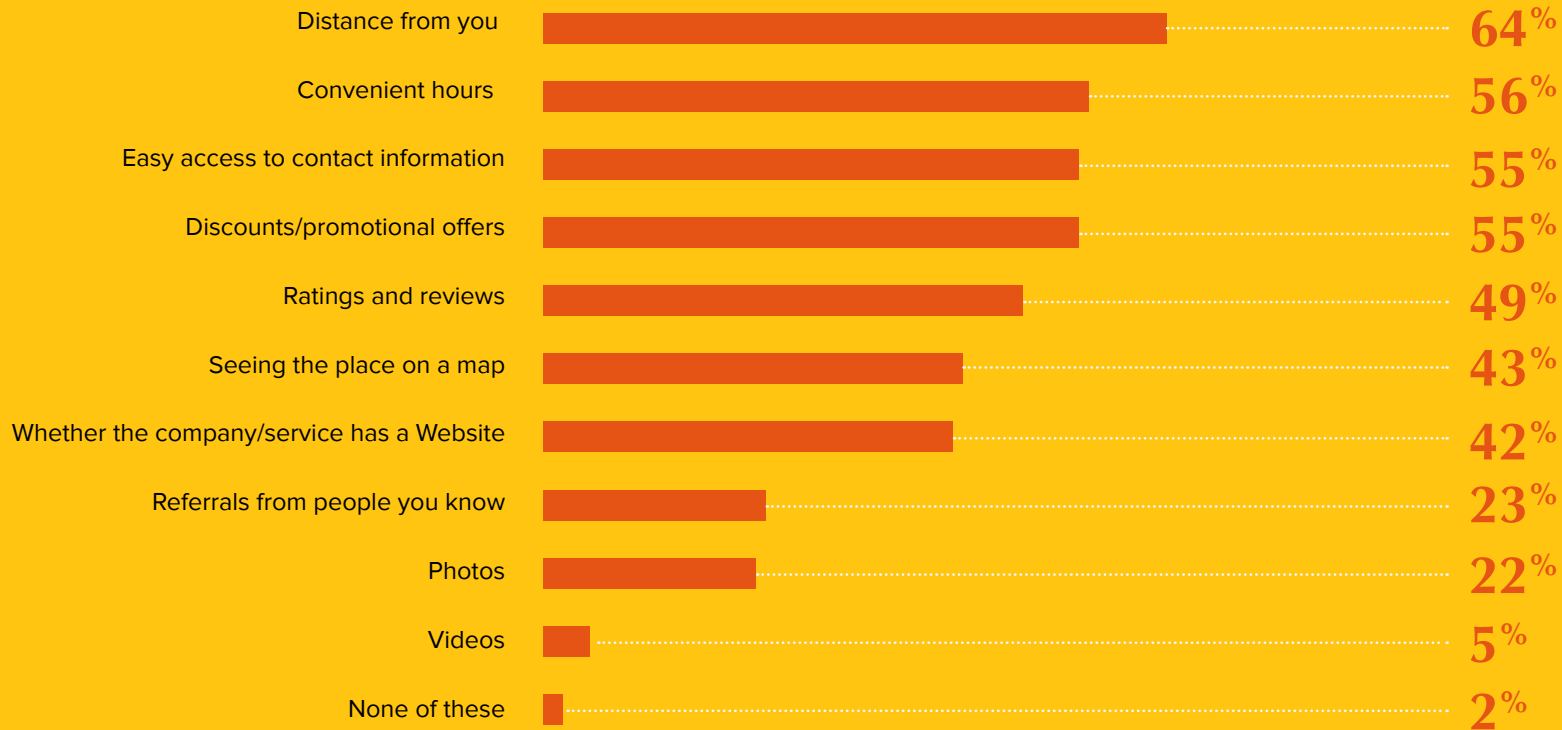
TIP

How do local consumers best discover and engage with your business? **Successful local search marketing puts the consumer at the center of every initiative.**

"What US Consumers Want From Local Search"

PROXIMITY IS THE MOST IMPORTANT INFORMATION FOR CONSUMERS IN LOCAL SEARCH

"When researching a local service online, what information is important to you?"

Distance from you	64%
Convenient hours	56%
Easy access to contact information	55%
Discounts/promotional offers	55%
Ratings and reviews	49%
Seeing the place on a map	43%
Whether the company/service has a Website	42%
Referrals from people you know	23%
Photos	22%
Videos	5%
None of these	2%

Base: 4,706 US online adults (multiple responses accepted)
Source: North American Technographics© Media And Advertising Online Survey, Q2 2009 (US)

Local-local search

Doing more with less is the mantra of small and medium business (SMB) marketers.

Local-local marketers generally have to wear many hats and may not have the big budgets or deep category expertise available to national-local marketing organizations.

For example, even though 63% of consumers and small business owners turn to the internet first for information about local companies and 82% use search engines to do so, only 44% of small businesses have a website and half spend less than 10% of their marketing budget online, according to research from Webvisible and Nielsen.

SMB Aggregators

Aggregators help fill in the gaps for SMBs in the areas of digital marketing where they're not sophisticated by providing services such as optimizing search engine ads and listings, updating directory and map information, and even buying paid media when needed.

TIP

If you're a local-local marketer, **don't just assume your national-local competitors can outspend you.** Remember, they may have thousands of locations to account for.

Small Businesses Not Satisfied with Web Presence

Less than half of small businesses have a website and the ones that do are not necessarily seeking to drive traffic to it nor are they happy overall with their online marketing.

▶ **51%** believe both the quality and ability of their site to acquire new customers is only "fair" or "poor."

▶ **Only 30%** of business owners feel that they typically do a better job of marketing than a close competitor.

▶ **78%** believe they advertise in the same places as their competitors.

▶ **Only 7%** of small business owners say their primary marketing goal is to get more visitors to their website.

▶ **61%** spend less than three hours a week marketing their website.

▶ **99%** of small business owners are directly involved in the marketing.

▶ **65%** believe it is very important to know where their customers come from.

▶ **Only 9%** are satisfied with their online marketing efforts.

▶ **78%** of small business owners dedicate 10% or less of their budget to marketing. Of those, half spend less than 10% of their marketing budget on internet advertising, while 30% do no Internet advertising.

National-local Search

National (or global) advertisers have unique issues that are different than their local-local counterparts. They may have multi-million dollar budgets, plenty of great design and creative resources, and experts on every channel of local search, but their main challenge is figuring out how to scale these programs for what could be hundreds or thousands of brick-and-mortar locations.

TIP

Winning at national-local is all about being able to think locally even though you may be managing your program a thousand miles away. Digital marketing offers opportunities to customize your messaging at scale that best speak to the consumers in each market.

National-local marketers also have to compete with the perception that they are the big guys trying to unseat neighborhood and regional businesses that may have been building their brand for decades within a specific local market.

In an interview with Google, Rich Lesperance, Director of Online Marketing for Walgreens (who has locations within 5 miles of 75% of U.S. households), talks about how the stores themselves are already very well-suited for regional products and promotions such as having Statue of Liberty souvenirs in their New York stores and towels and sand buckets in the beach towns of North Carolina.

"The need to scale nationally while keeping a local presence is one of the greatest opportunities that we have," says Lesperance. "We haven't figured it all out yet, but we're certainly thinking a lot about it."

Regardless of the challenges that national-local marketers face, 91% of national brands expect to invest more or the same amount in local marketing heading into 2013, according to a new survey by local marketing firm, Balihoo.

However, even though the appetite for local marketing from national advertisers is high, research from Group M shows that national advertisers have yet to really embrace local search and even may not even understand the basic fundamentals with 34% not actively using online directory ads and 45% not geo-targeting their paid search programs.

Percentage of National Advertisers Not Active on Key Local Digital Platforms

34% Online Directory Ads

40% Local Business Listings

45% Geo-modified Paid Search

55% Local Online Review Sites

Source: GMS Local, 2011

The Four Key Digital Channels of Local Search

In local search, there are four key channels to reach consumers when they're in discovery mode and actively hunting for locally-focused information via web-enabled devices. Some online destinations, such as Google and Facebook, can fulfill multiple or all of these local search needs for your potential customers:

1.

Search Engines

2.

Internet Yellow Pages (IYPs) and Directories

3.

Maps and Location Listings

4.

Reviews and Recommendations

1. Search Engines

Search engines are arguably the most important resource that consumers use to navigate the Web. For over a decade, both organic and paid search listings have been instrumental in connecting brands with consumers at the moment they're looking for information on goods and services.

From a local standpoint, consumers are already using search engines per these stats sourced by GetListed.org:

▶ **50%+** of mobile queries have local intent

▶ **20%** of desktop queries have local intent

▶ **5%** use the city and/or state name

▶ **2%** use informal terms, like neighborhoods

▶ **0.5%** use zip codes

Seven Paid Search Features You May Not Be Using

Local marketers have many tools to consider when using paid search that go beyond simply bidding on keywords for ads to appear. Google and Bing have built out advanced functionality in their platforms over the last few years that can help search engine marketers to help drive engagement with consumers at the local level.

Some of these tactics include:

Sitelinks provide links to specific pages on your website in addition to the main URL to create a more tailored experience for searchers. Marketers have seen up to a 10% CTR lift when enabling sitelink extensions.

> ### Example Pizza Store - Fresh and Hot
> www.**example**.com/
> Get Your Favorite Pizzas! Only At Your **Pizza** Store
>
> Order Online Now   Store Locator
> Deals In Your Area   Returning Customer? Order Here

Call Extensions add your business phone number so your customers can easily contact you. In fact, 70% of mobile searchers call a business directly from search results.

> ### Compare Insurance Quotes
> www.example.com/**compare**
> Save time & money. **Compare car insurance.**
> Top Companies.   📞 **Call**

Location Extensions allow your customers to find your nearest brick-and-mortar location to drive local foot traffic.

> Ads
> ### Moe's Auto Repair Denver
> Trusted and Experienced Auto Repair Since 1972. Call now to make an appointment.
> bestautorepair.com/Denver
> Ⓐ 1600 City Park Esplanade, Denver, CO 80206
> (555) 083-2059 - Directions

Review Extensions display positive third-party reviews to boost your credibility.

> ### Healthy Body Gym - For real results that count
> www.healthybodyweb.com
> Make an appointment now.
> Rated #1 for Personal Training Programs - Gym Body Weekly

Social Annotations showcase the number of followers for your linked social profile to increase exposure.

> ### Hotels in Vienna Austria - Hotels up to 50% off
> www.example.com/**Vienna_Hotels**
> Save on Hotels in Vienna, Austria.
> Example.com has 432,880 followers on Google+

Seller Ratings show your prospects how real customers score your performance and can help build trust within your community.

> ### Tia's Ice Cream Store
> www.example.com - ★ ★ ★ ★ ★ 10,159 seller reviews
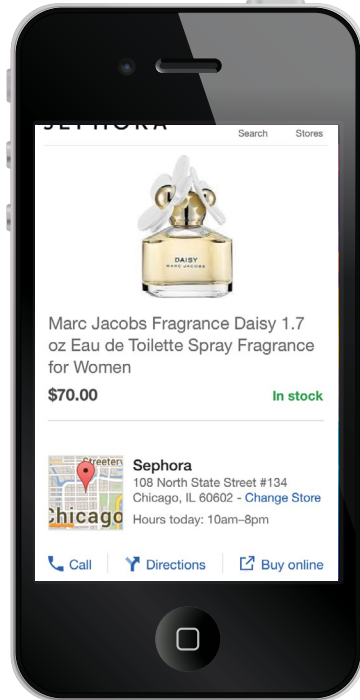> Delicious **ice cream** made with the best local ingredients
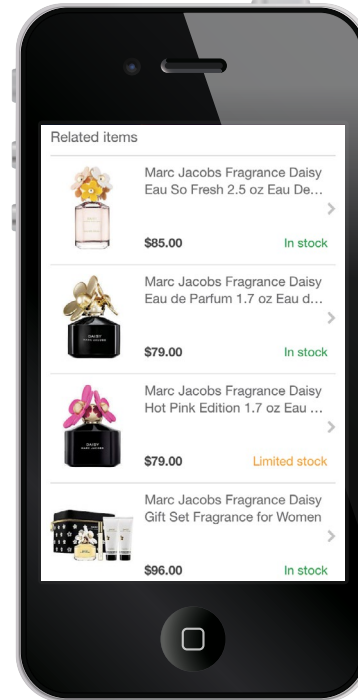
1. Search Engines cont'd...

Local storefronts for Product Listing Ads (PLA) allow local searchers to see stock information for products at a store location nearby, search for additional stock at that store, and get all the location information including address, directions, and hours.
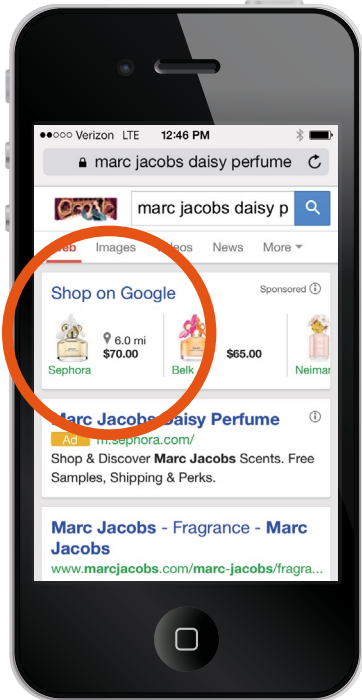
Local availability for Product Listing Ads ▶▶ **Local storefront** ▶▶ **Related items on local storefront**

TIP

Mine your web analytics suite to best understand which keywords are driving consumers to your site. Google Analytics is free and can provide deep, historical insight into this data.

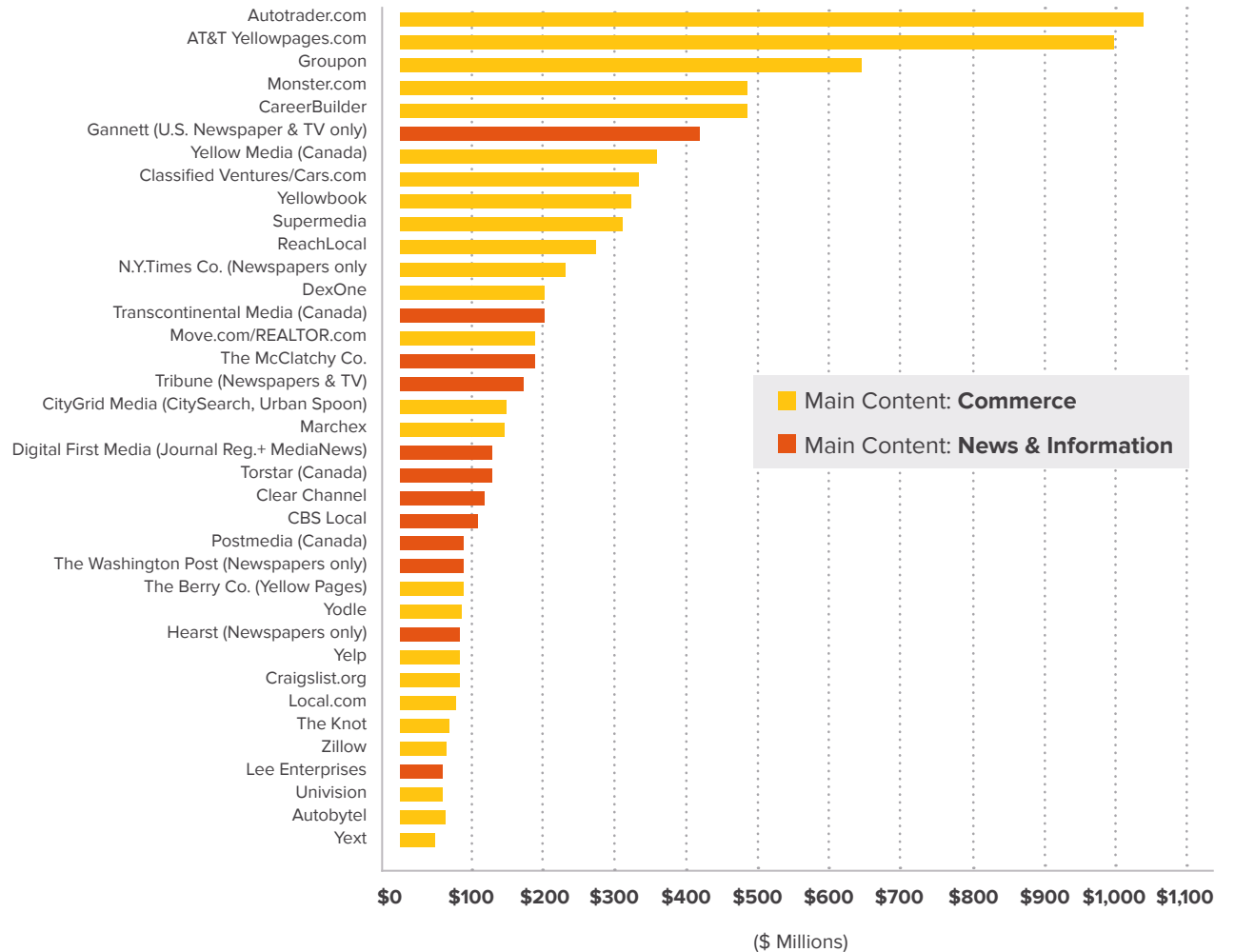# 2. Internet Yellow Pages (IYPs) and Directories

Before the internet, there were thick, printed phone books and, as consumers migrated online, they continued to utilize the web versions of these resources to find local information.

It was reported by Borrell and Associates that online directories still receive a 12.6% share of the local online advertising pie.

Examples of IYPs include Superpages.com and Yellowpages.com, while directories such as Autotrader.com, REALTOR.com, and Criagslist.org provide valuable discovery destinations for both buyers and sellers. Local content networks like CityGrid make it easier to scale across hundreds of the top local search sites and mobile applications to extend reach efficiently through place pages.

But managing these directories can sometimes be difficult. Local-local marketers may not be technically savvy enough to interface with the platforms skillfully, and national-local marketers may have the business information from thousands of brick-and-mortar locations to manage. There's also a lot of fragmentation which means advertisers must engage with multiple partners (sometimes dozens) to get the reach and scale they need to move the needle.

Top IYP and Directories

Legend:
- Main Content: **Commerce**
- Main Content: **News & Information**

($ Millions)

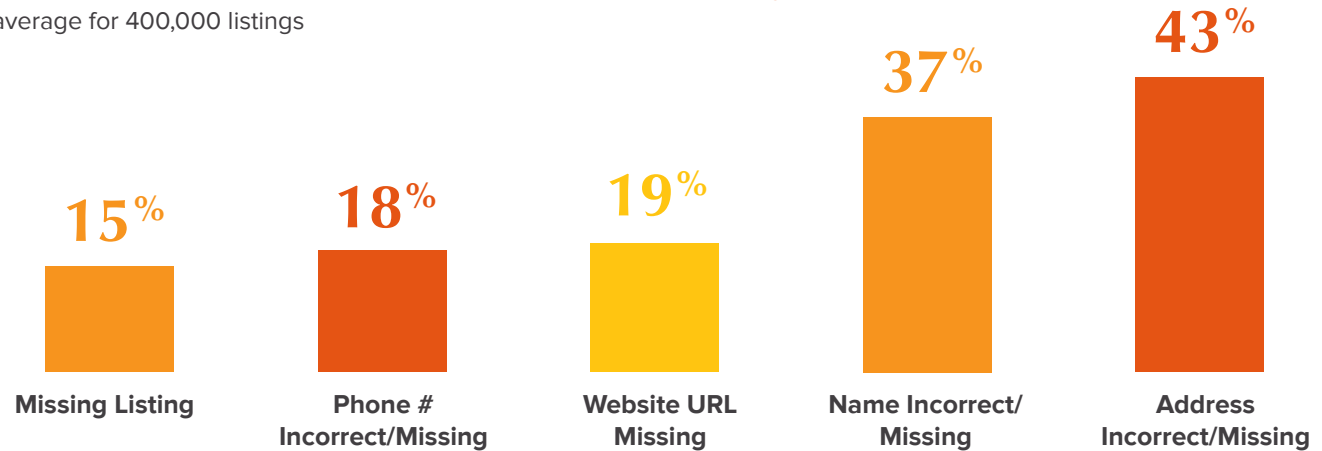Source: Borrell Associates, Benchmarking Local Online Media

2. Internet Yellow Pages (IYPs) and Directories cont'd...

Staying on top of your listings

A recent study into online business listings showed that an extraordinarily high percentage contain invalid or inaccurate data. Local search marketers utilizing IYPs and directories must always be very diligent with their listings in order to best capitalize on the opportunity.

Most Common Problems With Yext Customers' Local Business Listings
average for 400,000 listings

Missing Listing	Phone # Incorrect/Missing	Website URL Missing	Name Incorrect/Missing	Address Incorrect/Missing
15%	18%	19%	37%	43%

Source: Yext Customer Data Study 2012

TIP

There are vendors that can help you manage your listings across dozens (if not hundreds) of IYPs and directories. Not only is this a huge time saver, but it will help ensure that your customers won't end up driving to an inaccurate location.
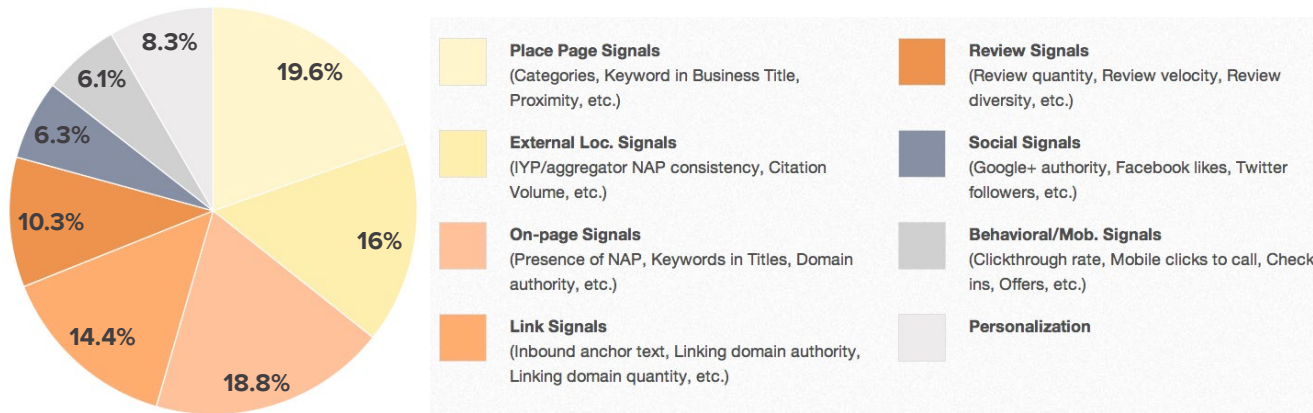
3. Maps and Location Listings

Maps and location listings can be found within IYPs (Yellowpages.com, Superpages.com, etc.), search engines (Google Places, Yahoo Local, etc.), and standalone applications (MapQuest, Waze, etc.). As of 2010, more than 100 million people a month use Google Maps from mobile phones to find directions and information. Smart phone adoption has increased the usage of these services now that everyone has mapping apps in their pocket, which rival even the most detailed atlases just twenty years ago.

As with IYP and directory listings, brands must stay diligent on their map and location listings entries. Nothing can upset a consumer more than calling a discontinued number or showing up at a closed store location. In essence, having a bad listing might be worse than not having a listing at all!

Overall Ranking Factors

Place Page Signals (Categories, Keyword in Business Title, Proximity, etc.)	**Review Signals** (Review quantity, Review velocity, Review diversity, etc.)
External Loc. Signals (IYP/aggregator NAP consistency, Citation Volume, etc.)	**Social Signals** (Google+ authority, Facebook likes, Twitter followers, etc.)
On-page Signals (Presence of NAP, Keywords in Titles, Domain authority, etc.)	**Behavioral/Mob. Signals** (Clickthrough rate, Mobile clicks to call, Check-ins, Offers, etc.)
Link Signals (Inbound anchor text, Linking domain authority, Linking domain quantity, etc.)	**Personalization**

Source: Moz, 2013 Local Search Ranking Factors

As you can see, there are many factors which map and location services use to rank business listings including Place Pages, Links, Reviews, Personalization, and more. The calibration process can be simply too complex and difficult to maintain or implement for some local advertisers.
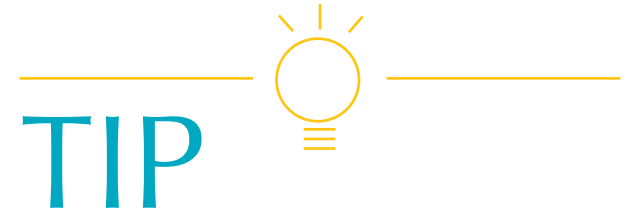
TIP

Make a web page for each store location

More than three years ago, Google's Matt Cutts stated, "If you want your store pages to be found, it's best to have a unique, easily crawlable url for each store." Since then, organic ranking factors have continued to become more influential components in Google's approach to ranking businesses in local results.

4. Reviews and Recommendations

Reviews and recommendations have become more popular with the rise of social media where reviewers can be traced back to actual people. This lifting of the veil of anonymity has increased the trust in online reviews, which in turn, has led to more usage of reviews as an important resource for local searchers.

Reviews can appear next to directory listings, maps, and can also appear on standalone sites and apps. Remember, rating and reviews can also be included in paid search ads to help further cement your brand's credibility with consumers.

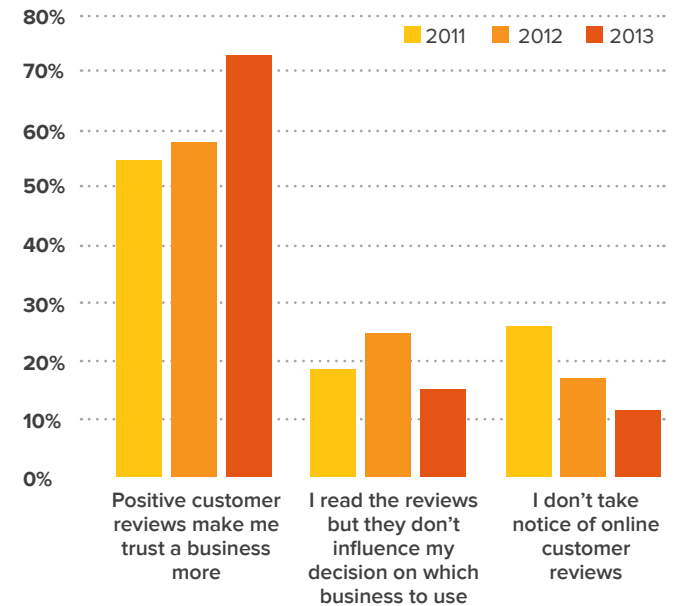In a recent study, not only did 85% of consumers admit to reading online customer reviews…

Do you read online customer reviews to determine whether a local business is a good business?

Legend: 2011, 2012, 2013

Categories: Yes, regularly | Yes, occasionally | Not
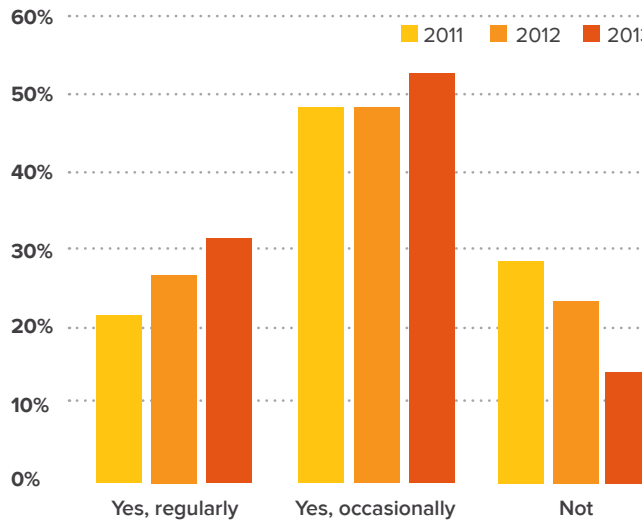
Source: BrightLocal, Local Consumer Review Survey 2013

…but 73% of consumers say positive customer reviews make them trust a business more (up from 58% in 2012).

How do online customer reviews affect your opinion of a local business?

Legend: 2011, 2012, 2013

Categories: Positive customer reviews make me trust a business more | I read the reviews but they don't influence my decision on which business to use | I don't take notice of online customer reviews

Source: BrightLocal, Local Consumer Review Survey 2013

4. Reviews and Recommendations cont'd...

How to Get Customers to Write Reviews

Positive reviews are so important to local marketers, but it's unlikely that many think they have enough great reviews from their most satisfied customers.

So, how do you get your customers to write reviews?

Ask them. Sometimes that's all it takes. You don't want to be pushy but many consumers just don't think about doing it even though they'd be more than happy to share their success story with your business. Don't ask for too much or you may not get the response you would have hoped for. If all you need is a single quote, then don't ask for a paragraph.

If a customer has agreed to write a review and you notice he or she has not, give the individual some time. Let a week or two pass and then ask gently again. At some point, though, you may become a pest and could turn the person off if you keep badgering.

Provide the tools. Make it easy for your customers to write your reviews. By lowering the barrier of entry, you will be able to generate more reviews. Send them a follow-up email with a link that takes them directly to a review site or the section on your own site in which they can quickly provide feedback. Multiple-choice scoring can sometimes be a lot easier for consumers than trying to write in complete sentences. Provide simple directions if there are multiple steps involved.

Offer an incentive. On occasion, it takes a little extra nudge to get customers to write reviews. If you're not organically seeing review activity at the level you are hoping for, you may need to offer an incentive to get what you need. Coupons, discounts, etc. have been proven to be good motivation to consumers who may need to be compensated for their time.

Be careful though. Some review sites specifically note in their guidelines that businesses cannot offer incentives for reviews. Of course, these reviews may make great fodder for your Facebook page or your own site, but make sure you understand the rules of sites like Yelp that feel that incentivized reviews may be skewed and would prefer not to publish these.

Follow up with your best fans. If someone has already provided a review or recommendation, try seeing if that person would be willing to spend a bit more time with you to generate something more impactful such as a video review. Think outside of the box for ways that you can best leverage these amazing resources.

Take a long term strategy. It's not about getting 100 reviews tomorrow. The right approach is to put a long term strategy in place to keep stimulating this type of activity forever. Additionally, older reviews generally get pushed down by third party sites so you'll always need a fresh stream in order to best reach and impress local searchers.

13 Places Businesses Should Be Collecting Online Reviews
According to HubSpot:

1. **Angie's List**
2. **Yelp**
3. **Google Reviews/Local/Places/+**
4. **Yahoo! Local Listings**
5. **Insider Pages**
6. **CitySearch**
7. **Consumer Search**
8. **Consumer Reports**
9. **Better Business Bureau (BBB)**
10. **Facebook**
11. **LinkedIn**
12. **Twitter**
13. **Your own website**

4. Reviews and Recommendations cont'd...

What to Do About Negative Reviews

The best thing you can do about negative reviews is to try to make sure that there aren't any customers that have bad experiences with your business. Of course, sometimes these things are unavoidable so, if a negative review happens, you should consider following up with that consumer to see if you can make things right with hopes that he or she will change it from a negative to a positive.

Some people just won't be swayed no matter how much you try to do for them, so you'll just have to accept the fact that these negative reviews are going to be out there. To combat negative reviews, you can try to bury them with positive ones using some of the tactics listed in the previous section. Hopefully, prospects will see so many good reviews in proportion to the bad ones that they'll simply ignore them as outliers. In scenarios when you have the ability to publically address a negative comment or review (such as on social media or comment threads), be sure to do so in order to demonstrate a commitment to customer satisfaction.

TIP

The data suggests that most local businesses are not actively stimulating review and recommendation activity. Set a goal for a certain number each month to grow your content over time.

Q&A with Local Search Association President, Neg Norton

Neg Norton is President of the Local Search Association, leading the best local search marketers who deliver cutting-edge solutions spanning digital, print, mobile and social media that help local businesses succeed. He brings more than 20 years of experience in helping connect local businesses with ready-to-buy customers.

Norton joined the Local Search Association, formerly the Yellow Pages Association, in August 2003. He has led the industry during a major transformation from print directory publishing to provider of local search services for small businesses and their customers.

What is the Local Search Association (LSA)?

Norton: The Local Search Association is the largest trade organization of companies focused on print, digital, mobile and social media solutions that help local businesses connect with ready-to-buy consumers. Our members include directory publishers, search engine marketers, online listings and review sites, digital advertising agencies and mobile search providers.

How does LSA help its members achieve their goals with local search?

Norton: We want to provide metrics that matter to our members and their business. LSA receives data from our members as well as third-party sources including Burke and comScore. This data is aggregated and shared to help members plan competitively. LSA also has a number of services that help our members streamline sales between member companies and advertisers, process advertising sales orders, understand the marketplace and generate extra revenue. We host an annual conference and webinars and a deliver broad range of communications that keep members abreast of the latest technology and trends.

How effective is local search?

Norton: Succeeding in local search is important given the size of the market and the opportunity for advertising providers. Approximately 95% of retail sales take place locally and 80% of disposable income is spent locally. The local media market will expand to a $140 billion annual opportunity by 2015, according to a forecast by BIA/Kelsey.

Today, local businesses have a variety of tools that they can turn to in order to share and promote their information – from Google to Facebook to Yelp to Yellow Pages. Many of the tools out there are effective, but the effectiveness for each varies by business type, geographic region and target customer. So, campaigns need to be appropriately tailored to the local business.

What has been the big news in local search this year?

Norton: One of the most exciting aspects of local today is the growing ability of local marketers to improve targeting capabilities. Developments in location technology are especially promising. With these strong capabilities, there are new opportunities to reach customers when they are most ready-to-buy. The long-term aim will be to see how this technology can work for local businesses, not just national retailers.

Local search has also adopted the broader trend of native advertising. Marketers have recognized that they need to generate content that fits seamlessly into a consumer's interests and daily habits. We've seen the biggest social media players – Foursquare, Facebook and Instagram – introduce in-feed advertising in the form of promoted posts. Native advertising within these environments offers tremendous targeting opportunities with an uninterrupted user experience.

How does LSA see local search differ from regional, national, or global search?

Norton: National businesses generally have established brands, which makes it easier for them to reach and be noticed by customers. Local businesses have to operate with a ground-up approach. While national businesses can cast a wide net when deploying their marketing campaigns, local search is incredibly targeted – businesses seek to reach consumers who not only live in a specific area but who have an affinity for their specific products or services as well.

What are the unique issues facing local-local companies?

Norton: The biggest issue local-local companies face is limited resources. Many local businesses have limited staffing, budget and time to focus on marketing efforts. That's why it's important for local marketing partners to offer easy, comprehensive and cost-effective solutions for business owners. As owners work to maintain and grow the bottom line, they need partners who have the time and expertise to guide them through the latest technologies and techniques for attracting customers.

What challenges do national-local companies have that local-local companies do not?

Norton: National-local companies are often not viewed as local, even though they may operate locally through a franchisee or other owner. National-local businesses may find challenges entering the local conversation in the ways that local-local companies can. In many cases, communities believe that the national brands don't provide the same level of service. They generally believe that national-local brands are managed and operated elsewhere with little local input and take money away from the local economy. Additionally, national-local businesses often create marketing plans that are not specifically targeted to local communities and their unique demographics and interests.

What are some of the infrastructure concerns that local businesses face when trying to compete with national brands at the local level?

Norton: Local businesses often are limited in the investment they can make to enhance their digital footprint. It's important to have a functional and well-designed website that can be viewed on multiple devices – desktop, smartphone and tablet. It's also important to have strategies in place to promote search visibility and online engagement across social media channels and review websites. National companies have an advantage in all these cases because of their wider range of resources.

LSA has conducted some strong research in the way consumers use mobile devices for local searches. What have been some of the key findings?

Norton: We have so much rich data. We found in a recent study with comScore that the mobile market exploded in 2012 – local search via non-PC devices more than quadrupled that year. We also found that traffic to local directories and other local resources from non-PC devices reached 27% share of total web traffic in December 2012 (up 6% from December 2011) and that 48% of U.S. mobile users used their devices to access local content in December 2012 (up 6% from December 2011). Another study we conducted with Burke, Inc. found similar results. The fact is that consumers are going mobile and businesses need to follow.

What are some of the action steps from this research that local search marketers should execute on?

Norton: These findings all point to the need for local businesses to re-evaluate their mobile advertising strategies to fully leverage current consumer trends. Some points that local businesses should keep in mind when evaluating their marketing plans include:

▶ Introduce advertising strategies and mobile and tablet-friendly websites to attract consumers who are increasingly accessing the web from their handheld devices.

- Adopt a multi-platform advertising approach, which places value on all potential lead sources (desktops, mobile devices and print). Local businesses should take advantage of leads from all the places their customers are searching.

- Make mobile campaigns, websites, or apps accessible via Android and iOS operating systems. Google's Android and Apple's iOS have achieved near-domination of the smartphone and tablet operating system markets, so visibility on both is essential.

- Offer options to conduct searches via apps and browsers. More than 60% of smartphone consumers are now accessing local content on their devices; and, while consumers prefer apps to search for local content, use of browsers is also strong.

- Take advantage of new local e-commerce opportunities and digital storefronts that make it easier for consumers to purchase products and schedule reservations and appointments.

What's the future of local search?

Norton: I see things getting better and better for both consumers and local advertisers. Technology has evolved to harness the data collected from consumer behavior in a more comprehensive and insightful way, which can be used to offer customers more tailored messages and to better demonstrate return on investment for businesses.

The future will be one of continuous evolution – new innovations are on the horizon in the form of smartphone payment systems, digital loyalty systems and location-triggered mobile coupons – which allow us to connect with consumers in unprecedented ways. We are committed to fostering innovations that help businesses attract consumers in the final step along the path-to-purchase – in other words, that get them to take an action.

Mobile Becoming Major for Local Search Marketers

Consumers are quickly adopting web-enabled devices and many now access content via their desktop or laptop, smart phone, and tablet. This technology revolution has impacted marketing tremendously both online and offline.

Advertisers have followed consumers on their migration to a *3-screen world*. Mobile local ad revenue in the U.S. **will grow by 54 percent by 2016 to $5.6 billion,** which means mobile local ad spending will outpace mobile national ad spending in just a few short years.

## Local mobile searchers are highly valuable

Why are local search marketers finding so much appeal with mobile marketing?

Well, it all has to do with consumer behavior. Think about how you use mobile in your own local shopping process? With smaller screens, tiny keyboards, and generally slower page loading times, you probably aren't going to the phone to simply window shop as often as you would when you're on your home or work computer.

Recent research, such as the comScore/neustar/15 miles study, shows that local mobile searchers are further down the funnel than when using PC/laptops: 38% of mobile phone and 36% of tablet local business searchers report being either "in the middle" or "at the end" of the funnel versus just 14% when on the PC/laptop.

Stage of Local Business Search When Device is Used
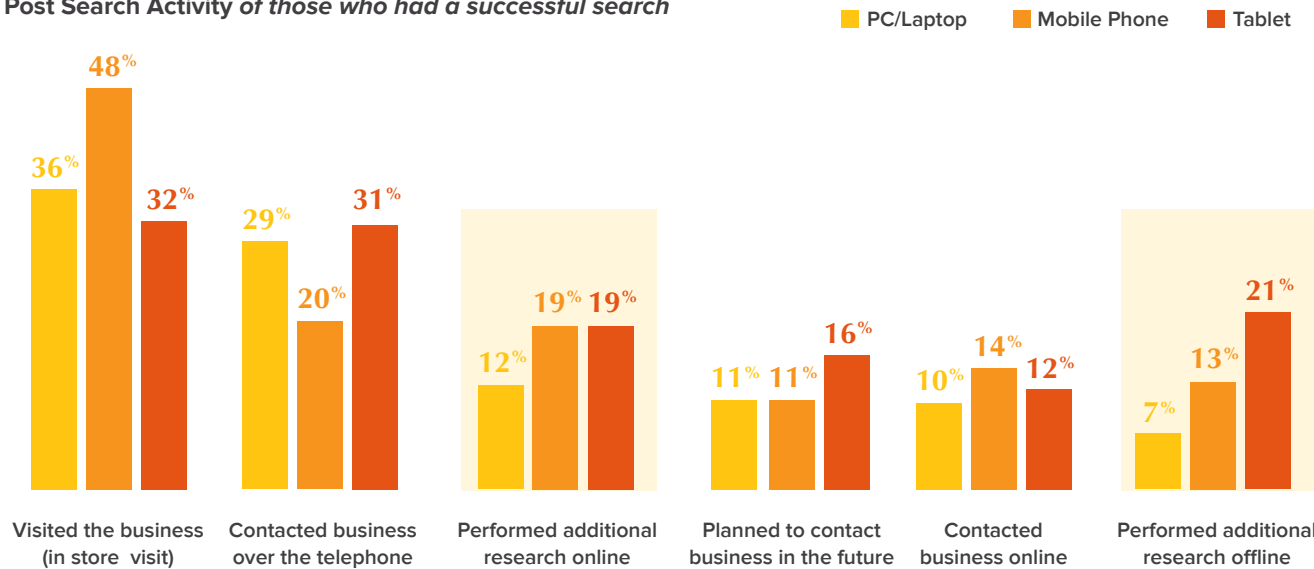
■ In the beginning ■ In the middle ■ At the end ■ Throughout the entire process

PC/Laptop

| 33% | 10% | 4% | 53% |

Mobile Phone

| 31% | 18% | 20% | 32% |

Tablet

| 31% | 18% | 18% | 33% |
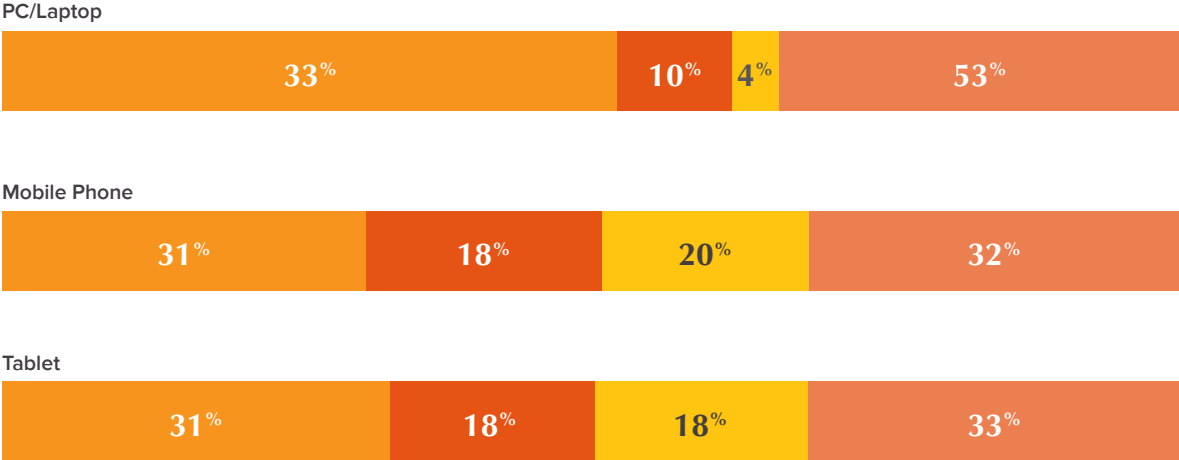
Source: comScore

And the post-search activity on these devices also shows a strong correlation to positive engagement, including almost half (48%) of successful mobile local searches concluded with a store visit.

Post Search Activity *of those who had a successful search*

■ PC/Laptop ■ Mobile Phone ■ Tablet

	Visited the business (in store visit)	Contacted business over the telephone	Performed additional research online	Planned to contact business in the future	Contacted business online	Performed additional research offline
PC/Laptop	36%	29%	12%	11%	10%	7%
Mobile Phone	48%	20%	19%	11%	14%	13%
Tablet	32%	31%	19%	16%	12%	21%

Source: comScore

Mobile marketing is still in its infancy, but because the local intent signals have already been so strong, local search marketers are certainly embracing the massive potential opportunity.

Click to Call

One of the most powerful ways that local businesses can connect with consumers is via the smart phone's ability to click to make a call. In fact, 70% of mobile searchers reporting they click to call directly from the search results to connect with a business.

In a recent study on how consumers utilized click to call, Google found that:

▶ **62%** of consumers searching for auto parts and services would be very likely to use click to call, and **57%** would use click to call to compare pricing.

▶ **60%** of those searching for car rental information on their phone would use click to call, and **44%** would call to make a reservation.

▶ Within local services, **76%** would use call features to schedule an appointment for professional services.

▶ **61%** of people searching for financial services on their smartphones are likely to use click to call to make changes to their bank accounts.

If you've enabled click to call functionality, make sure you are also appropriately tracking this activity. Call tracking providers such as CallSource, Jet Interactive, Marchex, Mongoose Metrics, and Telmetrics help you analyze calls you're getting so you can find ways to keep the phone ringing.

You must be mobile ready

In a recent survey of more than 4,500 brands in 44 countries in 99 languages, more than 88% of marketers viewed mobile and tablet search as a key marketing priority.

Furthermore, consumers who own multiple devices actually perform more local searches on each device than those with fewer device types.

How prepared are you as more and more of your local site traffic is going to be coming from mobile devices? TicketNetwork, for example, saw its mobile traffic grow by 120% and mobile sales rise by 184% four months after launching a mobile site. 72% of consumers think it's important for brands to have a mobile-friendly site, yet 96% have nonetheless come across a site that wasn't mobile-friendly.

If you can't deliver a proper smart phone or tablet experience to your consumers, you may not just lose today's sales from these disappointed local searchers, but also future sales to your competitors who do have sites that are setup to handle this type of visit.

In 2013, How Important Will Optimizing Your Site For Moblie or Tablet Search Be Compared to 2012?
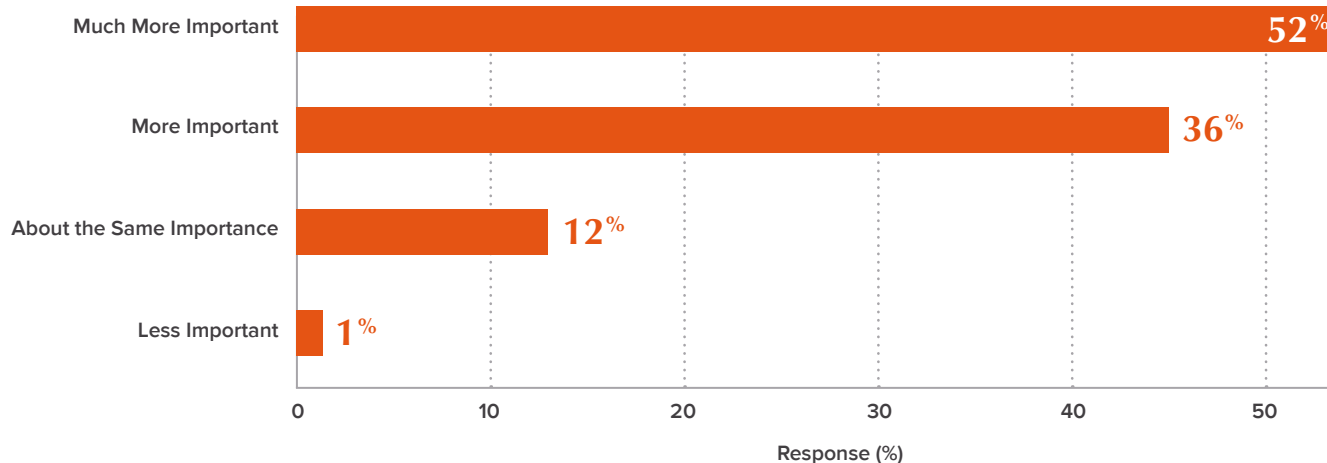
Source: www.brightedge.com

Average Number of Local Searches per Week X Device †

†Average number of searches per week, across locations (home, work/school, on-the-go)
Source: immr Local Search Study, July 2012

Note the following statistics:

▶ **48%** of consumers say they feel frustrated and annoyed when they get to a site that's not mobile-friendly

▶ **36%** said they felt like they've wasted their time by visiting those sites

▶ **52%** of consumers said that a bad mobile experience made them less likely to engage with a company

▶ **48%** said that if a site didn't work well on their smartphones, it made them feel like the company didn't care about their business

The best practice is to have one advanced site built with responsive design that can detect and adapt to whatever device your consumers are using when they visit. However, in lieu of that investment, at the very least, build out a mobile version of your site using some of the low-cost (and sometimes free) tools available with many domain hosting providers. These stripped down sites may not be able to completely mirror your PC version, but it will at least be able to adjust to any device's screen size.

The key thing about delivering the right experience via your mobile site is that it must quickly and easily deliver the most important information that consumers are looking for. Remember, mobile local searchers are down the funnel and ready to engage. If they can't access your phone number, hours of operation, address/direction, etc., then they'll move on to one of your competitor's sites.

TIP

Do your market research. Ask your customers how they use their mobile devices to find you and what information they are looking for once they get to your site.

10 Key Trends Shaping the Future of Local Search (and How You Can Win)

The world is changing around us very quickly. As technology breeds innovation, consumer behavior changes, and technology innovation again fills the gap. The impact on local search of this disruption is incredible and you must adapt quickly — either as a local-local marketer or a national-local marketer — to be successful.

The following are ten key trends in consumer behavior, technological innovation, and advertising evolution that are shaping the landscape of local search marketing.

1. More Local Searches Via Web-Enabled Content

Online local search activity, already a key component to how consumers discover local businesses, is continually growing. The proliferation of devices and the advanced features and functionality from websites and apps are lowering the barrier of entry for consumers to find you.

TIP
Whatever level you're currently engaged in local search marketing will need to expand in the next few years to keep up with consumer demand. They'll be searching for your category more often, and in more places, so you need to make sure you're there when they'll be looking for you. Start getting prepared now for this next era in local search.

2. Content as the Next Frontier for Local Search Marketing

Content is becoming a bigger input into the algorithms used by publishers to rank listings, map results, reviews, etc. So it's more important now than ever before to develop a holistic content marketing plan that will help affect those rankings in your favor. Content also creates a bigger signal of *things that can be found* when local consumers are searching. They may not even be searching for a local business but they can serendipitously find your content, making it a new source of local discovery.

TIP
Unique, proprietary content can also help differentiate you from your competitors. Check out the blog for this local Chicago coffee roaster, Bow Truss. Bow Truss builds a close knit community by letting customers get to know their baristas, hosting local events, coordinating contests and more. Don't think of content as something just for promotions or website filler — it can absolutely drive new customer awareness.

3. Social Media at the Center of All Advertising Programs

Although this Guide doesn't go into all of the benefits of social media, the way it can be used to help drive local search marketing could actually be its own white paper. There are so many networks now beyond just Facebook within which your customers are actively engaging to discover local goods and services. Social media usage is growing, and your own fans and followers represent a strong potential source of referral business.

More and more local search resources are integrating social cues and signals – such as the ratings from a consumer's own network of friends and family. These signals can help drive consumer interest during local searches and also become important inputs to ranking algorithms of search and listings results.

"With Facebook alone, there are <u>645 million page views of local pages in the average week</u> in the U.S. and 70% of consumers in North America are connected to at least one local business."

TIP
Develop a strong and deep social program. You can't shoestring this anymore. The social channel is just too important for your business to neglect. Whereas your organic [free] presence is a great way to stay in touch with your current customers, use social advertising as a way to get in front of consumers who don't already know who you are and why they should be doing business with you. The major social ad platforms are generally self-service, fairly easy to navigate through, and offer low cost options compared to other forms of advertising.

4. The Era of Real-Time Marketing

Real-time marketing is evolving digital marketing and, although it hasn't deeply affected local search yet, it will in time. This shift is all about speeding up the time between data insights and action. For example, if a consumer is searching for a local service and reaches your website, you need to be able to reach out while he or she is still actively searching – which may only be weeks, days, or even hours depending on your category. Real-time marketing can help you get in front of that same consumer while he or she is still in market, so you can close that opportunity.

TIP
Explore real-time marketing opportunities with your vendors. Google, for example, offers search remarketing to make sure that consumers who have recently searched for you can receive more of your messaging.

5. Surfing the Mobile Wave

Mobile is not just something you should be *checking the box* on by just providing a mobile website; it's a giant opening for you to win big. Take this golden opportunity to storm the mobile battleground and beat your competitors to the punch. If you're the leader in your market, invest heavily to ensure that you maintain your superior position on the mobile front too. If you're behind the leader, mobile gives you a chance to leapfrog up to the top spot. Be the first business in your market to get to the top of the search engine results, IYP and directory listings, maps, and reviews on the mobile device, and you will set yourself up for success.

TIP
Get savvy now! The only way to do this is to truly understand the trends in mobile consumer search behavior so that you can plan and execute accordingly. Staying on top of the mobile trends is difficult because they are changing so quickly, but it's also hard for your competitors too. Build in a time during the week for you and your team to stay current on the latest mobile research.

6. The Rise of Vertical Specialists

Whereas the beginning of the Web was about portals and general search engines, the next era will be dominated by category experts. Yelp is now a major destination for consumers looking for local restaurants and now they even offer delivery options. Apps like <u>TaxiMagic</u> help consumers find cabs quickly and easily. Just imagine this same type of innovation happening in *every category* in the future. Identifying and engaging with these unique discovery points before your competitors could help lock you into a customer base with tremendous lifetime value.

TIP
Get to know the vertical specialists in your category and learn how you can leverage their unique features and functionality for your local search program. Do they offer free listings? Are there paid opportunities to show to consumers as they're looking for information about the goods or services you provide?

7. Widening of the Map

One of the major trends that local businesses are reporting is that consumers are willing to travel further than ever before if they feel that a business can truly serve their needs during their shopping journey. The *daily deal revolution* has proven this out as incentives have been able to pull in customers from areas that the businesses may have rarely serviced before. As consumers find more ways to discover local business locations, they will venture beyond their typical mileage radius for a preferred business, instead of settling for a mediocre one just because of proximity.

TIP

Push the limits on how far away from your location(s) you have historically marketed and carefully articulate the benefits of your business to incentivize consumers to come to you. Remember, it's never been easier for a consumer to research you via search engines, reviews, comments, social media, etc. It might be quite viable to expand your local search program out to twice the number of consumers than you ever thought you could.

8. More Metadata for Listings and Directories

The main components of local search listings are commonly known as NAP: name, address, phone number; however, local has also grown to include ratings and reviews, photos, menus, offerings, and hours. It is also becoming commonplace to connect images and video to these profiles. Consumers are expecting more and more of this information, and if your listings don't contain this advanced metadata when others next to them do, yours will appear to be bare and incomplete, which could reflect poorly on your business.

TIP

Make sure you stay on top of what data fields are available and take advantage of these extra opportunities to provide more information about your business. If you're allowed to upload videos, you should. And don't just check the box! Local search platforms are basically your *always-on sales force* so always put your best foot forward at these crucial discovery points.

9. Blurring of the Lines Between Online and Offline

Since the rise of the Internet, marketers have been trying to figure out how to best drive offline action from online advertising. Daily deals, coupons, and click-to-call features have proven to be very successful tactics, but these just scratch the surface. With more consumers utilizing intimate channels such as mobile and social, the opportunity to spur more online-to-offline activity in local circles is increasing.

TIP

Find new ways to engage with your local customers in the digital realm that can drive them to offline conversions. An example of this may include deal alerts either via opt-in SMS on the mobile or via your social connections. Use strong calls to action to create a sense of urgency, such as emphasizing time sensitive deals or limited edition specials.

10. Proximity Marketing

There are endless possibilities for proximity marketing, and it just may be one of the most exciting and imminent advances in local search marketing. To be able to hone in on specific location, and as a result, deliver media and creative with on-the-fly customization to communicate with consumers on a 1:1 level is pretty close to marketing nirvana. Although companies like Google are able to customize results based on the current location of a consumer, mass availability of proximity marketing opportunities still eludes advertisers. However, its time is coming.

TIP

Start brainstorming now on how you would generate awareness during consumer discovery research based on the searcher's proximity to your location(s). What would you say to someone who is actively searching on your business category while one mile away? One block away? One hour away? Build your action plan so that you can start thinking in terms of proximity once these tactics are more accessible.

Marketer Perspectives

SIMPartners
Driven by Technology, Measured by Success.

Adam Dorfman
Partner,
SIM Partners

Adam Dorfman is a partner at SIM Partners, which empowers major brands to maximize digital marketing results at a local level by optimizing location specific content and business information to dominate local and social search results for hundreds or thousands of local entities. In this perspective, Adam provides 3 common mistakes that local-local marketers can make and tips on how to best steer clear of these pitfalls.

Local search marketing is remarkably complicated with what often feels like endless tactics to employ in order to ensure your brand's visibility in the digital world. Achieving prominence in consumers' local search results is especially important during the holiday season. While small and medium business (SMB) owners deploy many of the recommended tactics, a few of them perplex even the savviest business owners or get completely overlooked.

3 common mistakes made with local search, along with ways to eliminate them:

1. Avoiding citation management

While taking charge of business data on a few high profile sites like Yelp or Citysearch is something that many SMB owners manage to do, it is important to remember that search engines, like Google and Bing, crawl thousands of sites that contain information about your business (i.e. citations) every day. It is imperative that businesses focus on distributing up-to-date data to the sources that engines use to build its understanding of the local web. Leveraging the data aggregators InfoUSA, Neustar, Acxiom, and Factual is generally the best way to manage this as their reach is far larger than any single business could easily manage.

2. Not having an individual page for each business location

For usability reasons, businesses should maintain optimized location pages for each location in which they operate. Organic ranking factors have continued to become more influential components in Google's approach to ranking businesses and having unique location pages is something that Google has explicitly stated as being a best practice.

3. Not utilizing localized content

It is common knowledge that creating content that includes relevant keywords is necessary to rank for competitive queries on search engines. Unfortunately, many websites do not go past using services or products they offer on location pages. Local keywords, such as neighborhoods, ZIP codes, and nearby attractions can be important queries customers are using in their searches to locate businesses near them.

Marketer Perspectives

Sq1

Shaun Parnell
Sr. Director
Performance Sciences,
Square One Advertising

As the Senior Director of Performance Sciences at Square One Agency, a results-driven agency that uses predictive modeling and conversion optimization methodology to maximize ROI for major brands, **Shaun Parnell** works with many multi-presence advertisers. In this perspective, Shaun shares 4 ways these national-local marketers can localize their search program.

Localizing search efforts is a great way for multi-presence advertisers to take their direct response marketing to the next level. With the right structure and analytics in place, local search can be a tool national-local advertisers can use to capitalize on regions where business is strongest, or it can become a lever that can supplement marketing in underperforming regions in order to increase awareness and improve sales.

4 tips for multi-location advertisers to effectively "localize" their national search marketing efforts:

1. Organize your campaign structure based on how your store locations are segmented, and how you plan to allocate budgets

For example, if you have multiple retail locations within particular markets, metro-level targeting may be all you need; whereas if you only have one location per market, you may be able to zero in on particular zip codes that are serviced.

2. Determine a comprehensive search structure and keyword list that can be applied across all markets in order to improve efficiencies

Kenshoo's profile system is an excellent way to group multiple campaigns into location-based groups for localized optimization, allowing for customized bidding strategies per market.

3. Customize your messaging per market

For organizations with multiple offline locations, promotions tend to be customized based on competition within that market. Coordinating search messaging with other local marketing tactics (TV, radio, print) allows organizations to capitalize on the buzz generated by more traditional efforts.

4. Lastly, clearly define your goals for individual markets

When possible, ask yourself how this KPI can be effectively measured in reporting and if there is a way to attribute offline KPIs back to search campaigns where budget is being spent locally.

Closing Thoughts

Paul Wicker *Director of Product, Kenshoo Local*

I was supposed to be a lawyer. It was one year after I graduated college and I was wandering aimlessly while I postponed the commitment to three years of law school. My time was spent in various ways, including selling ads in the yellowpages.

They told me it was a simple job. "Walk into a small business, show them the phone book, talk about the distribution and then pitch them a big ol' ad." But, it was 2003 and there was this thing called Google that people were starting to use instead of the phone book. The world of advertising was in the midst of a massive evolution and small business owners were ill-prepared.

Luckily, I was a nerd for most of my life so I understood how the internet worked, what a decent website looked like, and how Google AdWords could be leveraged. Business owners quickly sensed that I wasn't there to simply push a yellow page ad on them and leave.

They asked questions, they experimented with their ad budgets, and they took risks. I was able to watch a collection of dentists, landscapers, limo drivers and, ironically, struggling lawyers grow their businesses massively on the back of the search engine marketing campaigns that I began to sell them. What I thought would be a short term job while I studied for my law school entrance exam turned into a lifelong mission to help small businesses — and as the bigger guys caught on, national-local advertisers — use technology to thrive.

A decade later, I essentially have the same job. At Kenshoo, I'm lucky enough to work on our local platform that is used by hundreds of media companies, yellowpages firms, agencies, aggregators, and multi-location advertisers around the world, all trying to scale their local SEM efforts more efficiently — from onboarding and management to optimization and reporting.

I hope this guide gave you some insights on ways to keep your costs down, your retention up, and most importantly, deliver more leads to your business or your client's businesses. As local budgets expand online and competition grows, it becomes even more critical to have your local foundation in place. To learn more about what Kenshoo Local can do for you, visit KenshooLocal.com.

Paul Wicker