



Local Merchants and the Online/ Mobile Revolution

**Welcome to today's webinar, which includes a special
preview of ILM East, March 21-23, Boston**

**For audio: You can either dial in or listen through your speakers.
Once you choose, please do not change settings.**

BIA/Kelsey Analysts: Krasilovsky, Marshall and Williams

Peter Krasilovsky

VP and PD
Vertical Local Media



Steve Marshall

Director of Research and
Consulting



Jed Williams

PD, Social Local
Media

Today's Webinar

- Key Features of Local Retail
- Retailer Data From Local Commerce Monitor
- Vendor Case Studies
- Forging Ahead — Social and Mobile
- *Special Offer to Attend ILM East*

Retail Hits a Tipping Point



The End Game



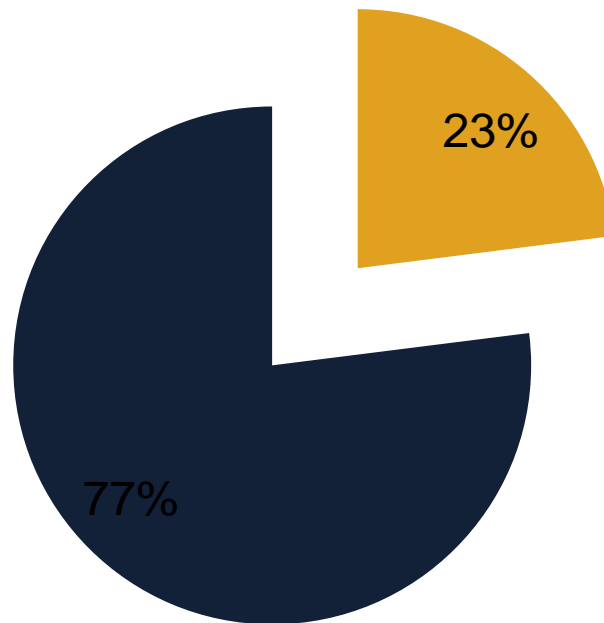
The New Retail Constellation



Yelp in the Mix

Yelp's Reviews

■ Local Retail ■ Other



More Efficient Shopping

- Shopping platforms and directories now combine the best of daily deals, coupons, weekly ads and other promotional information — even inventory.
- They do it more efficiently — and drive more conversions and volume.

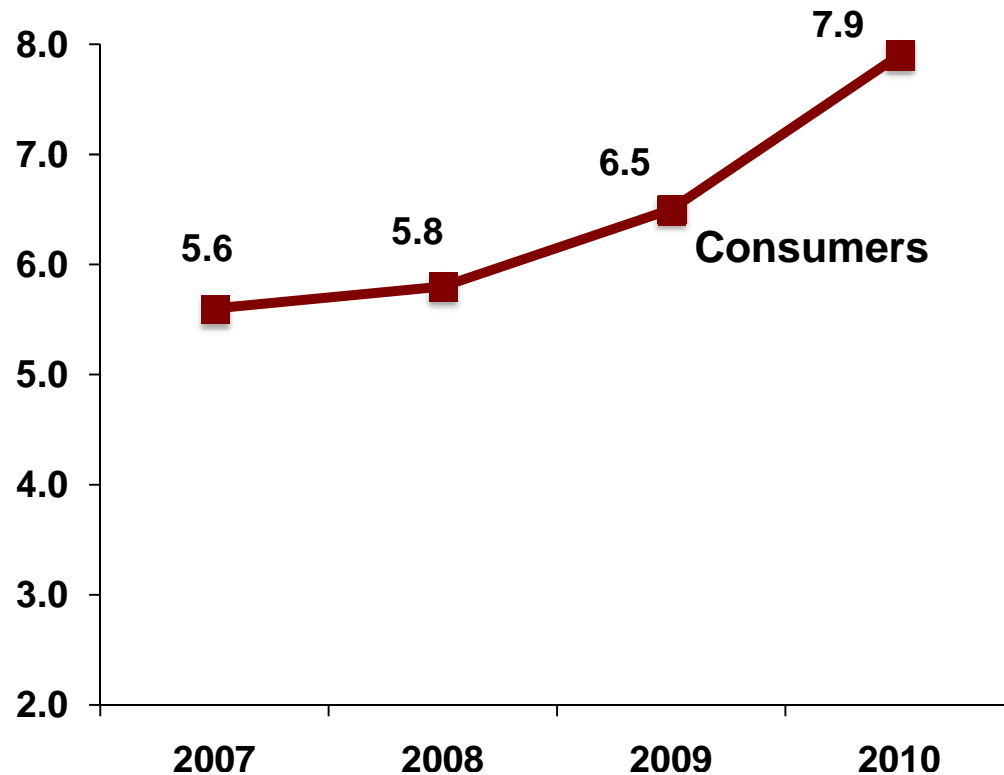


Background on Research Data

- Data source: BIA/Kelsey's Local Commerce Monitor Survey (LCM), which is more than 10 years old. Wave 14 completed in Q4 2010.
- All SMBs (<100 employees); survey performed online.
- Core sample of 300. Of these, 40 SMBs self-identify as retail.
 - Retail examples: boutiques, bike shops, specialty and gift stores, furniture, hardware, etc. (Franchises of national chains not included.)
 - Because of the small sample size for retail SMBs, results should be considered only indicative.

Overall Explosion in Media Usage by Consumers ...

Average Number of Different Media Used by Consumers*



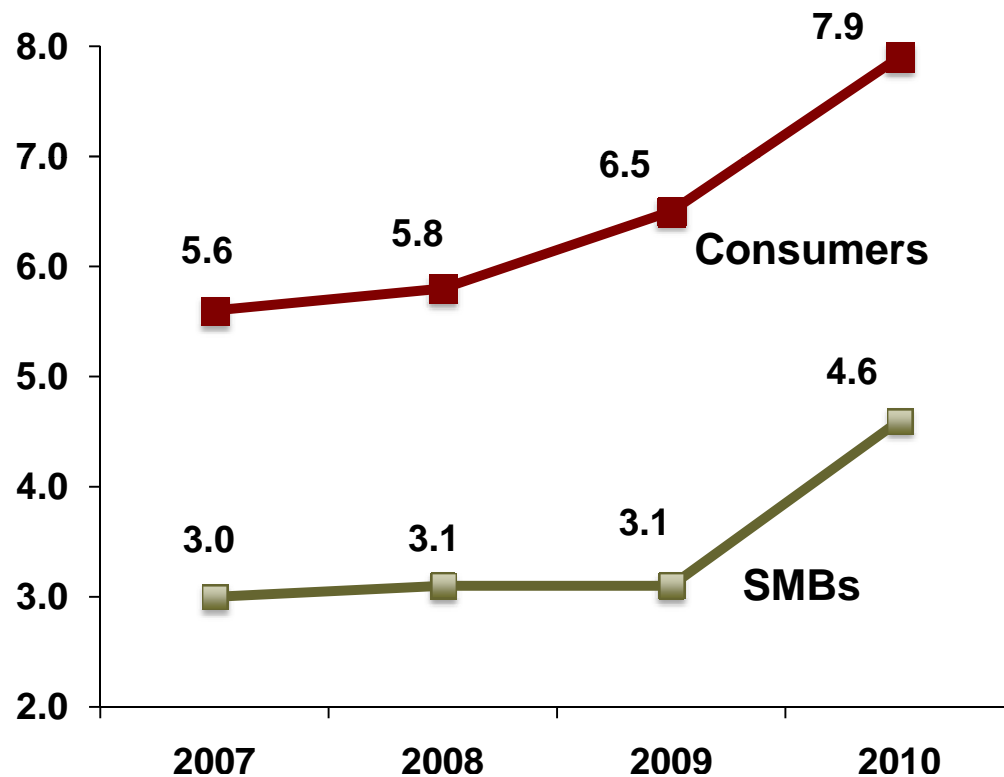
The number of different media used — specifically for local shopping — shot up in the past two years.

*Number of different media used by consumers when shopping for local products or services.

Note: Each survey wave typically identifies a larger number of media to choose from, so there is some "longer menu" effect captured in this data.

...and Explosion in Media Usage by SMBs

Average Number of Different Media Used by SMBs and Consumers*

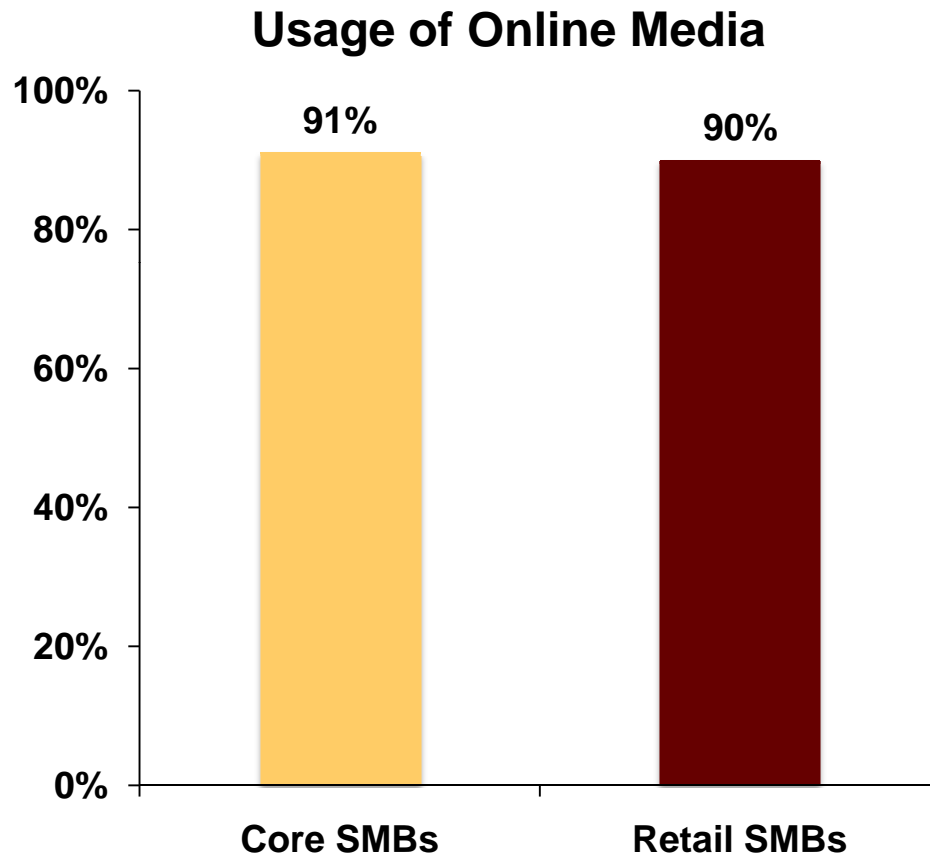


The ratio of media used by consumers to media used by SMBs hovers around roughly 2.0x.

*Number of different media used by consumers when shopping for local products or services.

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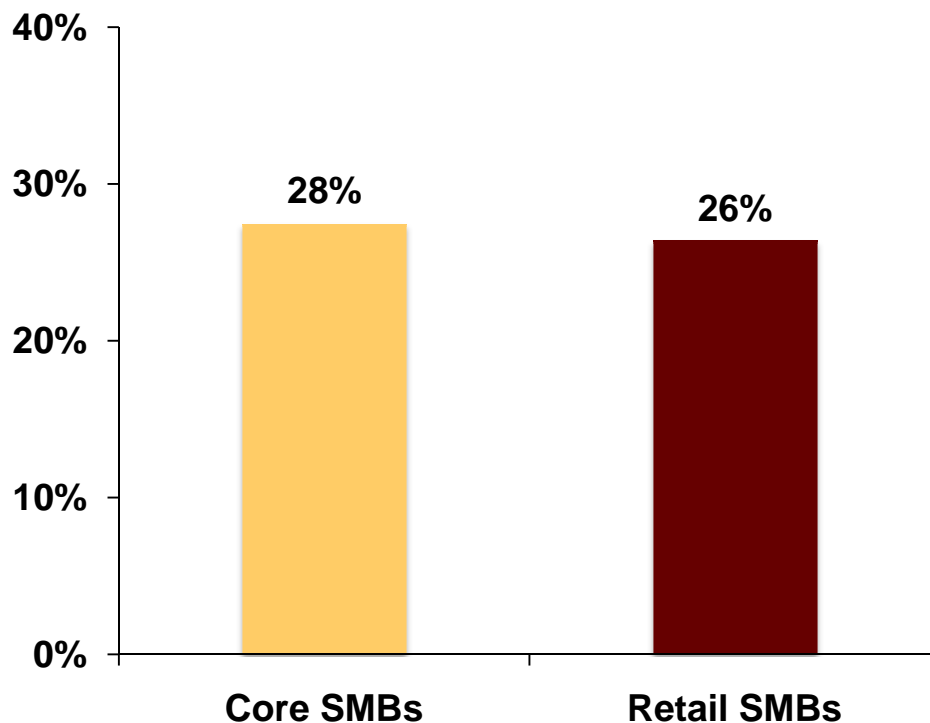
Usage of Online Media Nearly Universal — by Both Core and Retail SMBs



Our top-level benchmark, media usage, is a basic “binary” measure: Do you use — regardless of your spending level?

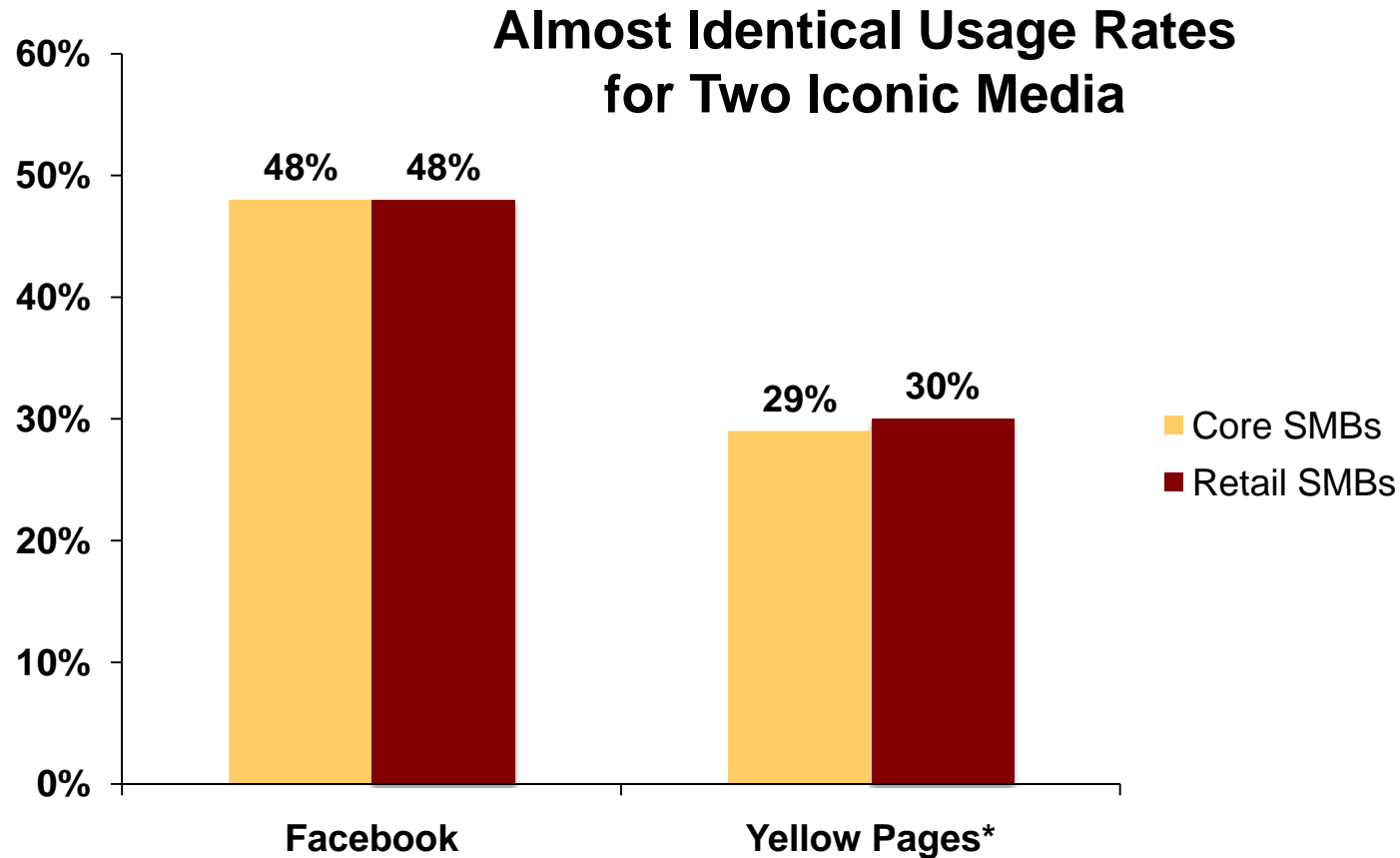
The Share of Spending That Went to Online Is Also About the Same

Spending on Online Media (As % of Total Spend)



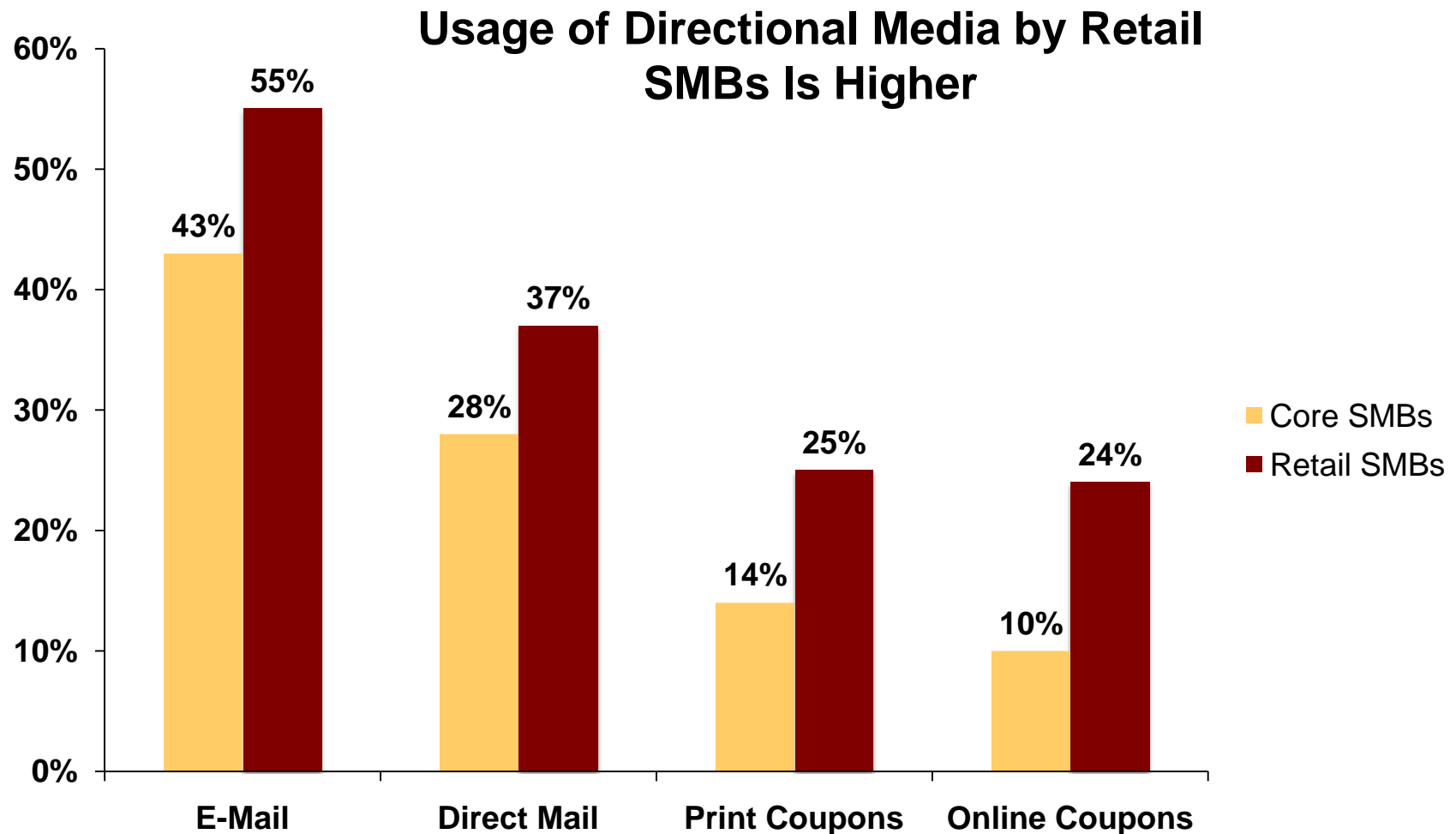
Retail SMBs also spend about the same percentage of their ad budget on online media, as compared with core SMBs.

For a Couple of Key Media, Usage by Retail SMBs Is the Same as for Core



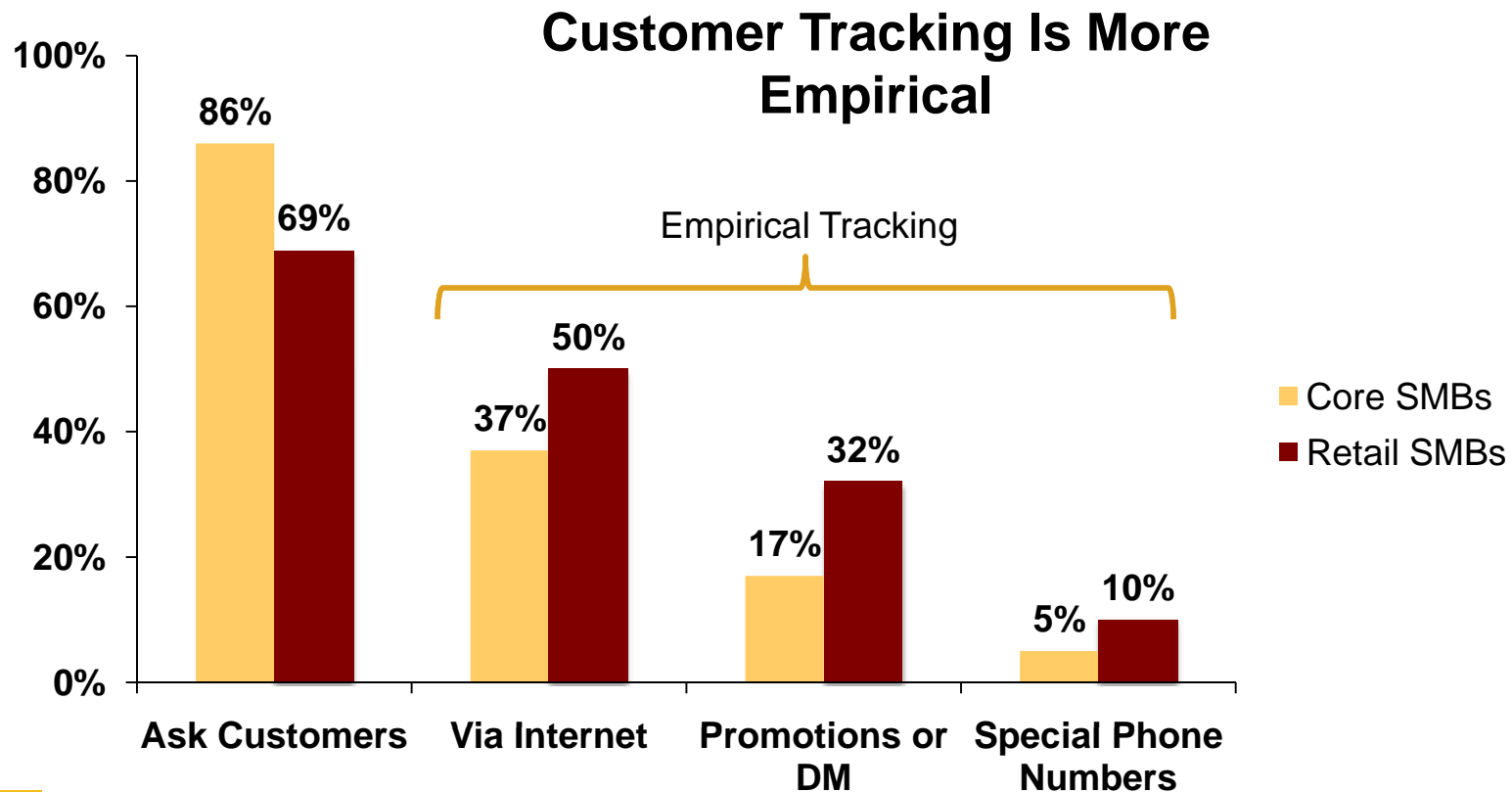
*Either Print or Online Yellow Pages

However, Retail SMBs Use Much More Directional Media



How SMB Retailers Track New Customers

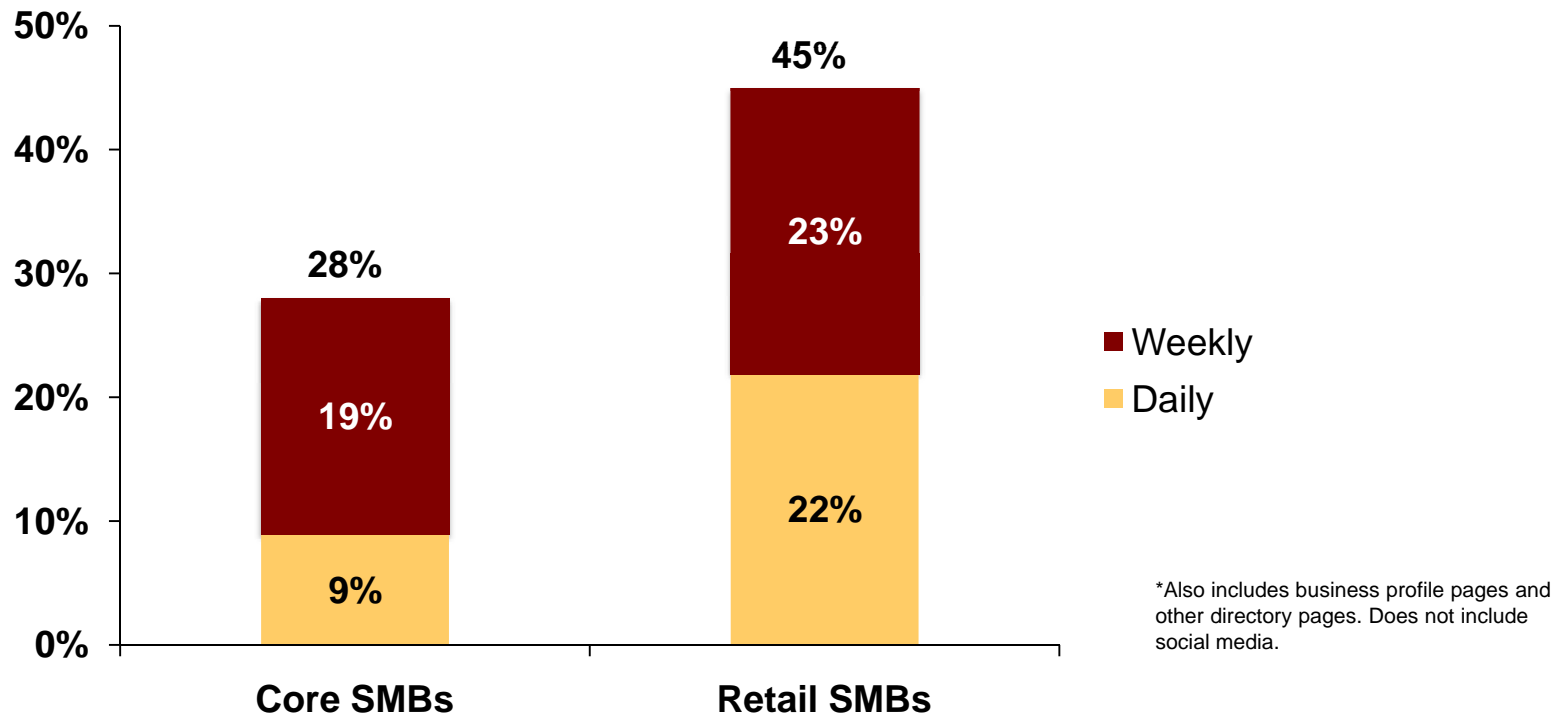
Of the SMB retailers that track the source of new customers, fewer *ask* their customers what brought them into the store compared with the core sample (69% vs. 86%, respectively), but more retailers use empirical methods.



SMB Retailers Update Web Sites Frequently

Almost one-half (45%) of retail SMBs update their Web site* at least once a week. More than one-fifth update their Web site* daily.

Retail SMBs Update Their Web Site* Regularly



Four Case Studies



Case Study No. 1: ShopLocal

- Gannett's ShopLocal has evolved as it continues its core mission to digitally convert the \$10 billion circular business.
- Using ShopLocal, electronic circulars can be searchable, add enhancements such as store locations, shopping lists. It can also be inserted across a range of Web sites (among other features).



Case Study No. 2: Agendize

- Agendize enables users to save shopping information from one format (i.e., online) and save it on their phone, PC or iPod.
- Buyers can be directly connected to sellers via icons.
- Calls can be pre-scheduled and are announced as “another lead from (Local Media Name).”



Case Study No. 3: FindnSave

- We've recently seen the launch of multipronged shopping portals. Travidia's FindnSave, is quite impressive.
- It integrates:
 - Groupon deals
 - Milo.com inventory of stores
 - Self-posted ads from individuals
 - Twitter board of local shopping tweets
 - Online coupons



Case Study No. 4: Foursquare


- Foursquare, and the check-in space, is especially revolutionary.
- Users go out and sign up businesses, handing out Foursquare ambassador cards.
- The businesses get details about their foot traffic and loyal customers, and the ambassadors see more specials at their favorite places.



Check-In at Wells Fargo, Carlsbad

\$ Wells Fargo - Carlsbad Main

5857 Owens Ave Ste 104
Palomar Airport Rd & Camino
Vida Roble
Carlsbad, California 92008



Categories: Bank / Financial
Tags: *untagged*


Like </>

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Tips POPULAR RECENT

Login to leave tips at this venue!

 **William S.**
The friendliest staff of any Wells Fargo.
✓ 1 | May 13, 2010

Do you manage this venue? [Claim here](#)

YOUR CHECK-INS	TOTAL PEOPLE	TOTAL CHECK-INS
0	9	30

Mayor *Last 60 Days*



Marco C.
4 checkins



Photos

No photos here yet!

ALSO ON FOURSQUARE

Follow these brands to unlock badges and find interesting tips around your city

Inventory Management — A Game Changer?

- Online inventory management is more of a game changer. It takes product locators to the next level.
- Customers want/expect it, but to date have been disappointed.
- New evolutions include stock and price comparisons, shopping lists, booking appointments, and reserving items.

What Does EBay See in Milo.com?

- Milo.com and Wishpond have both developed inventory solutions for national and local players. Milo.com was purchased last fall by eBay for \$75 million.
- **Example No. 1:** Milo, working with FindnSave, has integrated with various media partners. A new version lets store owners turn promotions into graphical banners on the fly.
- The service has started working with small retailers, such as Black Diamond Sports, a skate shop in Palo Alto, as well as specialty dress shops, etc.

Working With Small Retailers

Example No. 2: PaperG, working with Wishpond, can similarly build on-the-fly, location-specific banners. Enables multiple simultaneous promotions.

Flyerboard VIEW ALL

Deep Sea Fishing
• 2 private charters
• 1-6 passengers
Freeport
1-800-460-1312
johnstonsportfishing.com

DRIVEWAYS
Brick Paver/Concrete
Sidewalks, Patio Repairs
& Installations
AFFORDABLE PRICE
QUALITY JOB
FREE QUOTE
Fast & Friendly Service
832-868-1090
Insured & Bonded

CITY WIDE PAINTING & CARPET CLEANING
10% Discount on Interior Painting
Exterior
1 Story \$599 • 2 Story \$950
Includes: Pressure Washing and Caulking • Rotted Wood Extra Charge
Carpet Cleaning:
3 rooms for \$79.95
281-999-1495
16 Years Experience

OUTLETDOR.GROUP
MAINTENANCE
Have your Garage Door Serviced Today!
12 point Tune-up Garage Door Service
Regular \$111
Sale Price 20% Off
NOW \$89
1-800-513-9833

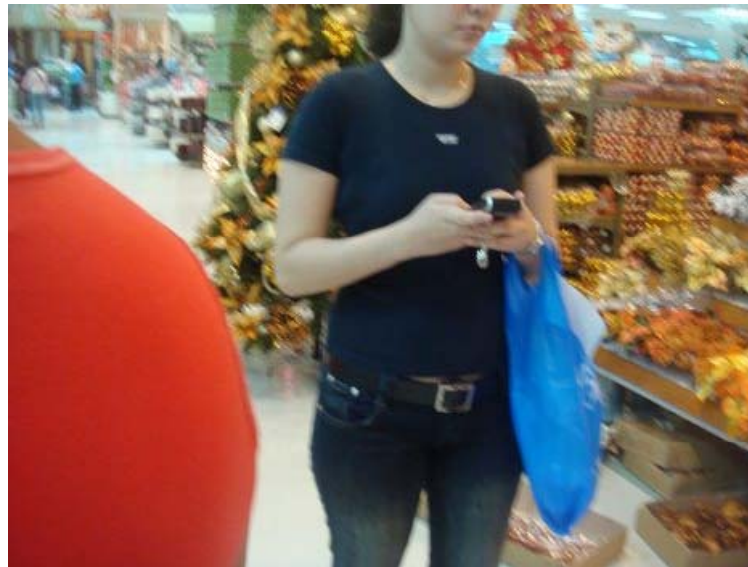
Mobile: Pushing Ahead

- Office Depot, for instance, uses Where2GetIt's mobile products. They include mobile locators, mobile browsers, SMS text messaging and toll-free 800 interactive voice response.
- Texting promotions are still big ... and effective.



Mobile at the Mall — Tapping Into Texting

- TXT promotions are the basis of JiWire's NearbyNow, which is currently in 50 malls in 45 cities, and expects to be in 110 malls by December.
- The immediacy of TXT promotions, and the malls' dense aggregation of stores, create a critical mass for the product.



Sweepstakes Drive Traffic

- Mobile sweepstakes offers can be especially powerful. They can double usage.
- The success depends on the context of the store and the prize. One hour after hundreds “stampeded” for a special, a shoe special got just eight people.



Next Waves in Mobile

- **Shopkick:** Automatic in-store check-ins to unlock special coupons, deals and other rewards. Other actions are also “perked,” including QR code scanning for selected products. Driving local store traffic is the goal.
- **QR Code Scanning:** Smartphone penetration + easier QR code generation = quick adoption. Evolutions beyond product search: real-time inventory, price comparisons, mapping, coupons, video.



Black Friday: Retail on the Cutting Edge

- **Black Friday Deals:** The Dealmap, Milo.com, Local.com and SuperPages prepped shoppers who want to see what's available at the stores while on the go.
- **The Dealmap:** Categorized and mapped more than 150,000 unique Black Friday product offers at nearly 50,000 retail locations. Smartphone owners used their phones to check out the deals while they were on the go, and were even notified if they were near a deal.
- **Implications:** Evolution of deals ecosystem beyond deal a day and into full-service marketing (coupons, flash sales, sweepstakes).

Small Business Saturday Points to More Collaboration

- American Express Small Business Saturday included a \$25 gift certificate for consumers who shopped participating SMBs, and a cash donation to Girls, Inc. of \$1 per “like” of the effort’s Facebook page (867,594 “likes” were registered) .
- Yelp coordinated with the effort, listing several recommended local SMBs on a geotargeted basis.



Some Takeaways

1. Retailers now actively participate on the Web, and increasingly in mobile.
2. The first baby steps toward e-commerce have been made via group buying and deal a day.
3. Inventory management moves toward e-commerce and promotion. It is an important part of the picture, especially for larger stores.
4. Retailers are beginning to manage customer relationships with social media, promotions, etc. This is a big growth area.
5. Retailers can gain an advantage with state-of-the-art technology that boosts interaction between retailers and consumers, such as click-to-call, video and online coupons.

Who's Who of Online Retail Leaders at ILM East, March 21-23, Boston

ILM | *east*

- Jack Abraham, CEO, **Milo.com**
- Jim Boutin, COO, **Local Thunder**
- Evan Cohen, GM, **Foursquare**
- Brian Costello, VP, **Valassis Corp.**
- Victor Wong, CEO, **PaperG**



- David Courtney, CEO, **JiWire**
- James Green, CMO, **FindnSave/Travidia**
- Tim O'Shaughnessy, CEO, **LivingSocial**
- Nate Richardson, President, **Gilt City**

Special Registration Offer

ILM

east

March 21-23, 2011
Boston Marriott Copley Place
Boston, Massachusetts

Special Offer

Webinar attendees *who have not yet registered*
for ILM East — register with promo code

ILMEWEBINAR

to receive \$200 off price.

www.biakelsey.com/ILMEast2011



Join 500+ industry leaders to examine the latest business models, technologies and revenue opportunities in local.





Questions and comments:

Peter Krasilovsky | pkrasilovsky@kelseygroup.com

Steve Marshall | smarshall@kelseygroup.com

Jed Williams | jwilliams@kelseygroup.com

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