



Every Location Counts – SEO in Local Brand Engagement

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Executive Summary

Chief marketing officers struggle with the definition of local markets because existing tools focus on the location of markets rather than the changing location of customer engagements. Because of the scope of their work, senior brand managers often spend millions on regional marketing activities that are, in fact, collections of local online and offline placements and promotions, and fail to get detailed results from the market.

Yet, the stakes in local are rising. Google reports that more than half of all web traffic is generated by smartphone and tablet users, many at the moment they are making a buying decision. Location is key to search success, according to Google, as 30 percent of all mobile searches are location-related, reinforcing the need for a strong foundation of search engine optimization in marketing. Without location-based listings, online-to-offline transactions are difficult to influence.

According to Kleiner Perkins partner and Internet analyst Mary Meeker, only 10 percent of purchases are online-only.. Meanwhile, Google data show 76 percent of people who search on a mobile phone will visit a business within one day, and 28 percent of those who search near their location complete a transaction. Designing a global-to-local marketing strategy requires an anchor data point, the location where the user intends to buy and the sale is fulfilled. This is also the core information used in SEO techniques, the name, address and phone number that describes the location of a retail outlet in web listings.

At retail — whether offline or online — brands are only one of the options the buyer is actively considering. Local buyers also take into account the reputation of the retailer; the opinions of friends, family and other influencers about multiple brands; and their own sense that they have paid a fair price and will receive appropriate levels of service. Global brand messages must be coordinated with the local messaging that ultimately closes the sale.

In this paper, BIA/Kelsey explores the use of SEO tools in the changing landscape of online marketing, specifically how to plan and calibrate regional and local marketing investments in an increasingly complex multichannel environment.

We present a model for understanding and coordinating brand messages at the global level, where the entire focus can be brand features, and at retail, where brands battle for customer attention with other products offered to the buyer.

“The stakes in local are rising. Google reports that more than half of all web traffic is generated by smartphone and tablet users, many at the moment they are making a buying decision.”



Global Messages Delivered in Local Flavors

The emerging standard for customer engagement in complex sales situations is based on learning, specifically discovering customer needs to customize messaging and offers to improve conversion rates. Described by sales best practices firm CEB as “Challenger Sales,” this approach recognizes that customers generally contact salespeople late in their decision-making process.

According to CEB, they are “typically 57 percent of the way through their purchase process before they contact suppliers.” Consequently, marketers must be prepared to shatter assumptions among buyers, focusing on the “cost of current behavior” to motivate customers to embrace a suggested product or service.

All this comes down to discovering enough information about customers — what they want, why they want it, and where and when they need it delivered — as well as pricing sensitivity.

According to the Challenger Sales model, thought leadership, which emphasizes buying options, will ultimately fail because the individual customer’s real motivation is to create an immediate savings in costs or material improvement in performance. This is the product of the general trend in information technology toward metrics, which are easily applied to assess progress reaching desired business outcomes.

BIA/Kelsey has documented the recent explosion in the number of channels used by the most aggressive marketers. Our most recent Local Commerce Monitor™ (LCM) survey on local media spending, conducted in third-quarter 2015, found that among all small and medium-sized businesses (SMBs), the number of channels used for marketing has increased from fewer than four channels five years ago to an average of 6.7.

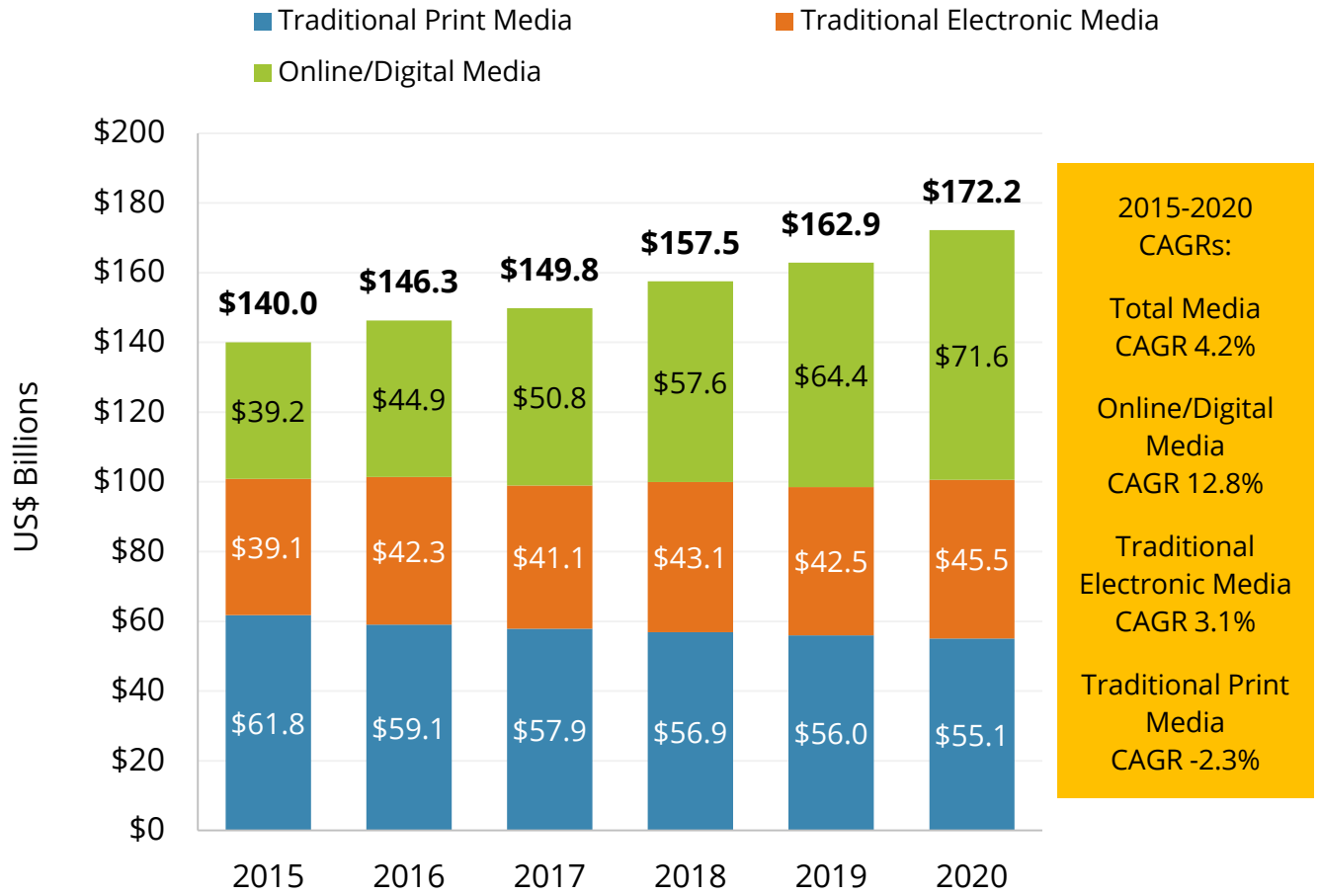
From the LCM survey, Plus Spenders, which report spending more than \$25,000 annually on advertising and marketing, have seen the number of channels they use grow to 12.9, adding 2.5 channels in just two years.

Yet, Plus Spenders, which average \$75,169 in local spending, report 50 percent higher conversion rates for promotions and other direct offers to customers than the rest of the local marketers surveyed.

“Our (BIA/Kelsey) most recent Local Commerce Monitor™ (LCM) survey... found that among all small and medium-sized businesses (SMBs), the number of channels used for marketing has increased from fewer than four channels five years ago to an average of 6.7.”



Figure 1: Traditional and Online Media Segment Growth, 2015 - 2020



Traditional Electronic includes local over-the-air television, local cable systems and local radio.
 Traditional Print includes local newspapers, local magazines, direct mail, printed OOH, and print yellow pages.
 Note: Numbers are rounded.

Source: BIA/Kelsey's U.S. Local Advertising Forecast 2016

Media spending is shifting to digital, of course, but mobile has catalyzed a complex set of changes.

BIA/Kelsey projects mobile marketing spending will race ahead of other media,

growing at an average rate of 15.6 percent annually for mobile search, which is already well established; 30 percent for local video; and 84.6 percent across the messaging channel, which will integrate “chatbot” technology over the next half decade.



Figure 2: Projected Annual Mobile Revenue Change, 2015 - 2020

Media	2015	2016	2017	2018	2019	2020	CAGR (2015-2020)
Location-Targeted Mobile	40.2%	30.7%	26.6%	26.0%	21.1%	18.9%	24.6%
Mobile Traditional Display	33.0%	32.4%	30.1%	28.2%	25.8%	24.0%	28.1%
Mobile Search	32.4%	21.8%	16.5%	16.8%	12.9%	10.3%	15.6%
Messaging	12.0%	50.0%	110.0%	100.0%	91.3%	77.8%	84.6%
Mobile Traditional Video*	63.7%	59.3%	37.6%	26.3%	17.6%	14.2%	30.0%
Mobile Native/Social	84.2%	52.7%	46.4%	40.8%	28.3%	23.3%	37.9%
Total Local Adv.	0.1%	4.5%	2.4%	5.1%	3.4%	5.7%	4.2%
GDP	3.5%	4.2%	4.5%	4.6%	4.8%	5.0%	4.6%

*Includes traditional video such as in-stream pre-roll ads on YouTube. Does not include natively produced and placed in-feed video in social media, such as Facebook news feed ads. Videos in the latter category are measured separately under Native/Social.

Source: BIA/Kelsey's U.S. Local Advertising Forecast 2016, Mobile Segment

Not only are more channels involved, but the technology available today allows marketers to use display advertising, textual and video social placements, direct mail, and direct messaging (SMS and, rapidly rising, chatbots that use machine learning to assess a customer request and route it to the appropriate sales contact).

Each of these new channels adds to the opportunity to learn more about customer requirements for a successful purchase.

What makes offer customization possible? Knowing where the order will be or was fulfilled. Until the marketing lifecycle is fully digital and completely tracked with real-time automation, offers can be sculpted efficiently only when tied to the delivery location.



Take a NAP

Where the sale will be fulfilled is the core pieces of data global managers need to understand the allocation of brand marketing budgets. If the sale is completed online, the fulfillment of the product delivery may be through the mail to a home address or via pickup or delivery from a local retail location that keeps the branded products in inventory.

Search engine optimization is a well-established marketing practice for developing consistently indexed information related to a product or service on web directories such as SuperPages and specialty directories like Yelp (restaurants and entertainment venues) or HealthGrades (doctors). It holds the key to keeping the global-to-local campaign aligned: name, address and phone number (NAP) data for retail locations near the customer.

Here is the challenge from the perspective of the global marketing leader: how to help a brand jockey for favorable position in the local market, where many brands may compete for the customer's attention and buying decision.

For now, customer data are typically lost abruptly at the retail point of sale, because offline-to-online attribution of sales is not reliably captured. Improved attribution technology will change the level of insight into consumer activity, but sales will remain closely tied to the physical presence of direct sales or retail brand representatives near the customer.

However, global brand managers do have insight into the sales of products locally and can use a variety of mechanisms to customize offers that include features, such as a registration process for customers, to establish links between online promotions and offline purchases. They see these sales through the lens of the location that fulfilled the sales.

The transaction is typically captured in POS reports and, with location-centric SEO in place, can be used to map online-to-offline attribution. It might be a grocery store, in which a detergent SKU may have beaten others on a shelf to win a sale, or Amazon, where the seller may or may not share all the locality information with a brand necessary to link offline sales to digital promotions.

"[Search engine optimization] holds the key to keeping the global-to-local campaign aligned: name, address and phone number (NAP) data for retail locations near the customer."

The last-mile attribution is being solved, though it will take another half decade or more to completely wire up the digital economy with emerging reporting and marketing management tools. In the meantime, the most salient information comes from the retail environment. Loyalty programs offered by retailers, tracking information in mobile apps, and analyzing visits to retail sites have been some attempts



brand marketers have used to build a complete view of the market and associate location with customer buying decisions, but none offer a complete solution yet.

A well-tuned SEO operation, in which the brand and organizations supporting it work in close alignment to identify convenient locations where products and services can be marketed and delivered, lays the groundwork for ongoing improvements in targeting and customization of marketing messages. SEO remains the foundation of local marketing strategy.

“Ultimately, marketing, like medicine, is becoming personalized. SEO’s NAP data are the most effective proxy available for assembling a view of how local campaigns work.”

Marketers, keeping in mind that retail is a fiercely competitive environment, need to realize that providing the customer an opportunity to buy is closely related to understanding what motivated the purchase. When consumers conduct a search of local service businesses, they typically see multiple locations that carry the brand they want. The same tires may be available at a half-dozen local repair shops.

Price will play a part in the decision, but so will convenience and confidence in the service provider, often based on consumer-generated ratings and reviews listed in proximity to the location.

The brand’s overarching global messaging, which is communicated in national and regional advertising campaigns, inevitably must be customized based on local variables. Because the final step, actual digital sales and fulfillment, remains incomplete, brand marketers have tended to focus on the physical territory described by markets — large agglomerations of people in close proximity — instead of making individual offers that convert.

Back at headquarters, this provides brand managers with little useful information about the effectiveness of offer customization. Ultimately, marketing, like medicine, is becoming personalized. SEO’s NAP data are the most effective proxy available for assembling a view of how local campaigns work. Budget is delivered to local marketers, which may be agencies or independent consultants rather than part of the brand owner’s team, and they report results across the entire locality.

Sales, though, can only be counted at the retailer level. Whether they occur at Mike’s Corner Sport Hut or on Amazon, sales are aggregated into regional results, reducing brands’ visibility into local messaging.



Global Brands Powered by Local Data

Wherever the customer is, that is the definition of local. Location is central to customer identity; it allows marketers to customize the experience of interacting with the brand before, during and after the purchasing decision.

Customers may change localities, when traveling or as part of their lifestyle (working in one market and living in another). Sometimes they move, but they remain the same consumers open to a new set of local retail relationships.

Enterprise brand managers have struggled to define local within their marketing campaigns, often changing only a few words in their ad copy, television spots and content marketing assets to accommodate regional consumer businesses that carry their products. That practice undercuts successful search engine success in digital by creating many copies of the same data, instead of establishing unique local offers easily discovered by search engines.

Brand management, then, must anchor its local messaging to specific places, especially independent and owned retail outlets that carry the brand's products. Even brand-controlled outlets, such as one of the 7,559 company-owned Starbucks stores in 2015, are typically built with local flavor, emphasizing values tied to specific store locations. Starbucks' brand also covered an additional 4,962 licensed stores last year. In most brands' cases, they are fighting their direct competitors on the shelves of a local

retail outlet, which only complicates consistent messaging.

SEO listing data are convenient and stable identifiers for use with targeting local messages. They can be complemented in display, social and other advertising by linking back to the listing from within advertising location data (NAP). This allows customers to consult the retailer's NAP information while being counted as a referrer from the current advertising campaign, and it ensures the latest NAP data are available.

BIA/Kelsey's research into local marketing spending, as well as the rise of programmatic advertising, which is rapidly claiming revenues from companies seeking to retarget customers across many channels, suggests the generic content era is giving way to a phenomenon similar to continuous releases in software development. Marketers will build catalogs of national content used in local markets to address different audiences based on location, demographic or contextually relevant factors to create a customer-specific experience.

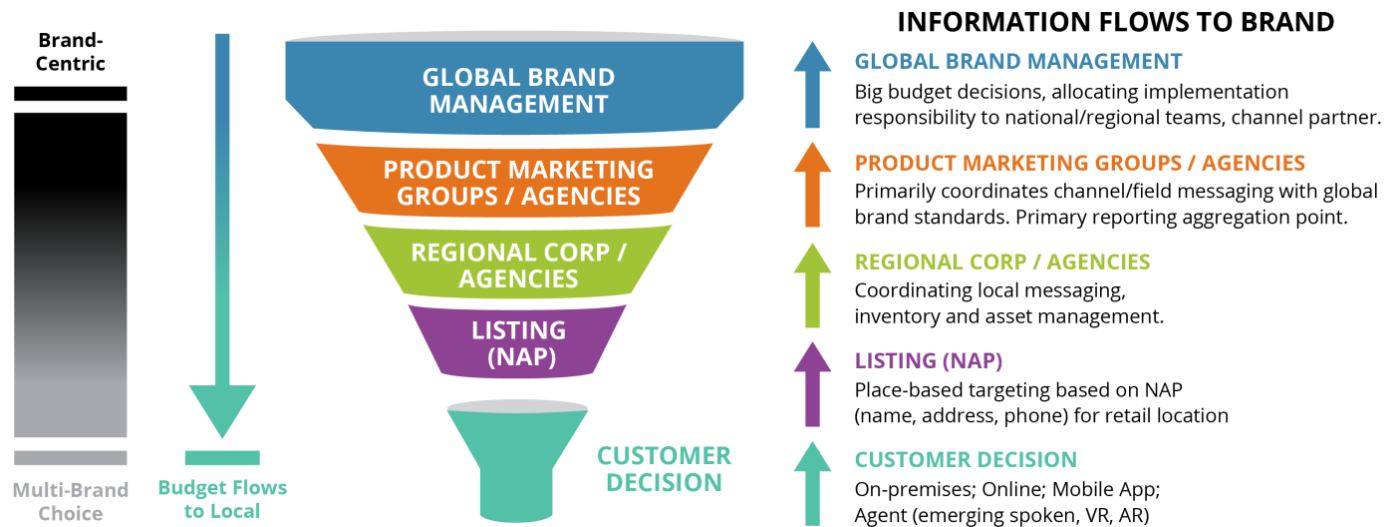
"Wherever the customer is, that is the definition of local. ... Sometimes they move, but they remain the same consumers open to a new set of local retail relationships."




With the rise of location-based targeting and demographic customer segmentation, which will drive more than \$29.5 billion in campaign revenues by 2020, location used consistently across all marketing messages will determine whether a brand is found by local consumers when they are ready to buy.


BIA/Kelsey has developed a model strategy, detailed in the following graphic and table, for global brands to help tease apart the multiple complementary and essential messages customers receive as they move from interest in a range of products or services toward making a purchase decision.

Figure 3: A Global Brand SEO Strategy for Local Engagement



There are several key ideas to note about this model:

 **Information flow is upward, toward the brand.** This represents the growing flow of customer data available to marketers. However, as information moves away from its source in the local market, it is frequently obscured when aggregated with other customer data. This makes assessing individual offer efficacy practically impossible at the global brand level. Consequently, CMOs often sign off on \$20 million, \$50 million or more without being assured they will receive granular data from the local market.


Budgets flow downward, but we urge CMOs not to think in terms of a “command-and-control” approach to brand messaging, because the brand must coexist with the retailer’s brand while competing with other brands for customers’ attention.

Budget Flows to Local


National brand management groups or agencies should be the interface to the CMO for all the levels beneath them (see below for a discussion of the reporting flow), with each regional organization responsible for providing consistent national brand messaging and a range of local content for use and customization by local retailers, resellers and partners of the brand.

The listing, rather than the business, is the last, pivotal step in the process. Retailers may have multiple listings, some tuned to specific retail locations and others oriented to vertical messaging. Think of the different listings a Sears store may have, in clothing, appliances, automotive and so forth. Listings will always revolve around the NAP information, allowing measurement of listing-specific offers, listing-specific messaging and imagery.



 **GLOBAL BRAND MANAGEMENT**
Big budget decisions, allocating implementation responsibility to national/regional teams, channel partner.



 **LISTING (NAP)**
Place-based targeting based on NAP (name, address, phone) for retail location



An emerging category of marketing tools is extending the use of SEO metrics, allowing global and national brands to engage various channels and measure the success of multiple offers. Here, markets are approaching mass customization of offers. Personalization lies in the future, when SEO will serve as the scaffolding of full-lifecycle marketing workflows.

For now, it is essential that brand leaders organize to capture locally identifiable data using listing information as the anchor for physical presence in the market.

Local Insight Leads to Audience Segmentation

After a century of globalization of media, which followed a thousand years of increasing globalization of production, the local market is finding its identity, again. The millennial generation, for example, is strongly committed to buying from and supporting local businesses, farms and artisans.

There is tangible evidence that local buyers pay more to provide for their neighbors. A 2002 study in Austin, Texas, showed that locally owned and operated businesses provide three times the economic returns of chain stores in the area. "At both Waterloo [a record company] and BookPeople [a bookstore], \$45 out of every \$100 spent in the store remained in the Austin economy,"ⁱⁱ the

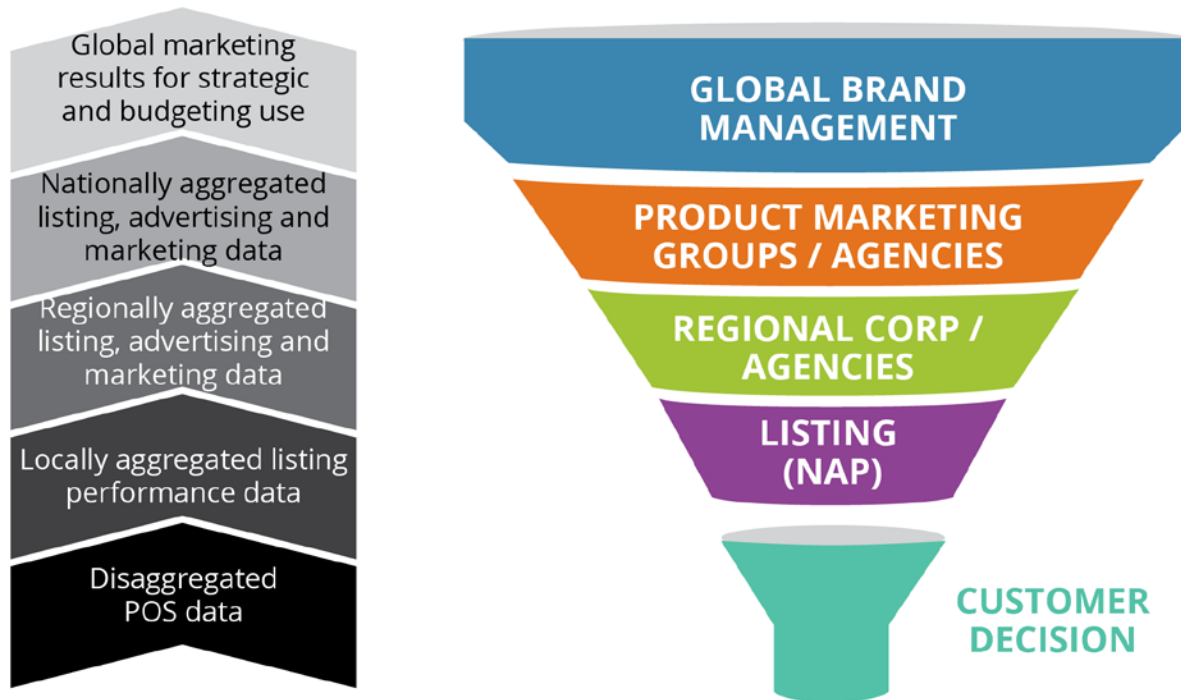
study found. A 2012 study of 27 retailers and 17 restaurants in Utah showed local retail pumped 55.3 percent of revenues back into the local economy, while restaurants delivered 69.1 percent to local workers and suppliers. By contrast, national chains in the same market returned only 13.6 percent and restaurants 30.4 percent.ⁱⁱ

New York-based marketing strategy firm BBMG has identified socially responsible consumers with the tag "aspirational." Such consumers are 40 years old on average, 51 percent of them are female, and they represent 39 percent of the global population. Generationally, the aspirational consumer group is 35 percent millennials, 34 percent Generation X, 20 percent baby boomers and 11 percent seniors. The next biggest group, advocates, represents 26 percent of the global population. Both must be engaged locally to deliver sales, as advocates are essential to influence marketing.

Arming marketers with messages for aspirational and advocate consumers requires a distributed approach. Global or national messages should be developed with flexible use, including being mixed with other brands' messages, to facilitate local marketers. Global and national marketers should prepare to measure and provide guidance to local copywriters, marketing decision makers and brand partners. Here, let's return to the model, looking at the reporting structure in detail.



Figure 4: Data Reporting Practices in Global Brand SEO



With local data tied to places, through the SEO listing, it becomes a tractable problem to identify the locally unique offers that should be invested in and those that can be retired without harming revenues. These decisions are discovered as near the local market as possible, because additional context is lost as the amount of data aggregated for consumption by global brand managers increases.

BIA/Kelsey recommends that brand management treat the network of marketers that select specific messages for their customers as collaborators. Instead of giving orders, the reporting structure encourages sharing outcomes and discussing potential responses. As SEO monitoring tools evolve,

they will blend more semantic analysis with location-based listings.

Mass customized marketing has come into focus and will mature as mobile data gathering adds more dimensions to brand analysis over the next decade.

Listing data can be married to subscription lists for retailer and support organization newsletters, for example, to improve segmentation of audiences and targeting of effective offers for each segment. But without the listing name, address and phone number, it is very difficult to de-duplicate consumer data or study overlapping customer relationships with multiple retailers to understand how brand messages can be improved.



Conclusion: SEO Listings Are Key Aggregation Points in Global Marketing

SEO tools are evolving, leaving behind single-site practices that developed in the 1990s and early 2000s and embracing network analysis of the performance of connected offers.

BIA/Kelsey does not endorse specific products; our goal is to articulate how to succeed in local markets with an evolving set of tools. This sponsored paper, courtesy of Moz Local for Enterprise, a new enterprise service launched in August 2016, was commissioned to provide context for marketers considering this new category of tools.

Moz Local for Enterprise is designed to be licensed by location, which reinforces the primacy of NAP data associated with those locations. Marketers have the ability to communicate across multiple campaigns managed by different people or teams, some inside a brand organization and often outside, such as through agency teams or partner/reseller organizations. Moz Local for Enterprise provides support for creating centers excellence in listing management and reporting, which will facilitate the emerging marketing model described above. It automates the collaboration we described as essential to balancing brand messages with local urgencies.

Moz reports that SEO strategy is the product primarily of team decisions, with 5.4 to 5.7 “deciders” involved in the typical campaign. BIA/Kelsey believes the number of deciders will increase as more secondary brand and retail partners are integrated into campaign management.

Moz Local for Enterprise is well fitted to support mixed internal and external partnering. Marketers can combine self-service offerings for organizations with one to 99 locations and consolidate automated reporting for multi-location clients with more than 100 stores, offices or service centers.

“Moz reports that SEO strategy is the product primarily of team decisions, with 5.4 to 5.7 “deciders” involved in the typical campaign. BIA/Kelsey believes the number of deciders will increase as more secondary brand and retail partners are integrated into campaign management.”



With this type of infrastructure in place, the global brand SEO strategy described above provides CMOs with:



Global, regional and local reporting tiers, with clearly defined goals for each layer in the SEO and messaging process



A structure for tuning messages by national brand message, regional brand message that incorporates “local” themes provided to local brand managers or agencies, as well as for assessing spends for ROI and reallocation of future spending



Alignment with Google and other search vendors’ content best practices with metrics designed to respond to search ranking algorithm changes



A collaborative engagement model for retail, online commerce and other partners that complements the shift to digital purchase decision making



A path to personalization of offers, with support for distribution of content elements to regional and local brand managers/partners to deliver mass customization of offers

CMOs are accustomed to top-down management of messages. Because of the growing sophistication of information technology, collaboration is becoming the preferred and most effective foundation for marketing decisions. Eventually, customers will help make design and production volume decisions, but marketers need to drive improved results today.

Marketers should plan to build messaging up from the NAP data in listings, embellishing core location data with more contextualizing data that helps to target messages locally. Using listing health as a key metric for performance optimization by location is a critical step forward in SEO management.



About BIA/Kelsey



BIA/Kelsey is a market research and analyst firm that focuses on all things local. Local media is an increasingly dynamic area of ad spending, and is quickly evolving with emerging digital platforms like mobile, social and search.

Over the past three decades, BIA/Kelsey has been an authority on these developing technologies as well as their forbearers in traditional media, which continue to transform as they likewise compete for local ad dollars and consumer affinity.

Through a growing suite of products that includes research reports, articles, conferences, and client consulting, BIA/Kelsey analyzes the business, financial, social and technology trends affecting local media.

Readers, event attendees, partners and clients are given the inside track on critical data, analysis, and recommendations needed to grow and transform in a rapidly evolving marketing and advertising landscape.

About BIA/Kelsey Sponsored Research



BIA/Kelsey Sponsored Reports are commissioned by companies that wish to spotlight areas of coverage.

BIA/Kelsey maintains full editorial control and applies longstanding standards of editorial practice and objective market analysis. If you'd like to sponsor BIA/Kelsey's coverage of any topics or to profile sectors of local media innovation, please contact sales@biakelsey.com.



About Moz



Moz is the global leader in SEO software. Moz Local is the active location data management solution that helps businesses of all sizes excel at driving customers to their business locations. With industry-leading business listing distribution, verified listing accuracy, unparalleled duplicate detection and closure, and advanced traffic, ranking, customer action and competitor analytics, Moz Local delivers best-in-class capability and value.

Moz is based in Seattle, and loves engaging with its community of over 500,000 marketing professionals. Learn more about us at <https://moz.com/local>.

ⁱ Civic Economics, “The Civic Economics of Retail, Ten Years of Studies,” civiceconomics.com

ⁱⁱ Civic Economics, “Indie Impact Study Series 2013: A National Comparative Survey — Utah: Salt Lake City, Ogden, & Wayne County, civiceconomics.com

