

You didn't go to Film School to be in 3 hour pre-pro

twitter facebook

Home

Headlines

Experts

Blogs

Events

Advertise

About Us

Subscribe

Google: Welcome To The Location Jungle

by [Alistair Goodman](#) on Tuesday, December 15, 2009



Google recently announced PlacePages, an expanded 'bubble' within Google Maps, which is a free navigation system for mobile phones that offers turn-by-turn directions, and is now offering advertising on mobile devices that delivers sponsored links pointing users to nearby locations via the iPhone Maps program. These initiatives are designed to close that elusive last mile in digital marketing: using mobile to drive consumers to physical locations. This is not really about local advertising – though that will come eventually. Rather, it's

about large brands ensuring that when consumers use their mobile phones to find useful information about anything around them, they are always directed to the correct place. This should be music to the ears of marketers with brick and mortar stores.

Sounds simple, right? Wrong. So far, Google is the poster child for how difficult it is to do this correctly. In mobile, relevancy equals matching content to location and location to expressed consumer interest. There is a huge opportunity for marketers to use this equation to their advantage – provided it is done right.

Several publications from CNET to Dam Frommer of Business Insider profiled the example of a user searching for a department store in New York City on Google's iPhone app, then getting a sponsored link for a nearby JCPenney store. The problem is - that link didn't point to an actual JCPenney location. It pointed to an apartment building... an apartment building without a JCPenney anywhere near it. To quote Frommer: "That is very bad, and Google could harm its reputation by sending people to places that don't exist." This obvious problem points to an inconvenient truth about delivering relevant mobile marketing at scale: you need to send the right message to the right user in the right place at the right time... every time. Consumers have zero tolerance for being misdirected on mobile, and marketers know that misdirection can do major damage to their brand.

The online search world trained consumers to weed through lots of different results to find what they need. On mobile, there is no acceptable level of imprecision due to the characteristics of the device, and the uniquely personal relationships consumers have with it. On mobile, right place, right time, every time (with no errors) is the standard for consumer acceptance. Having spent the past three years working on this problem for brands like Avis/Budget, FedEx Kinkos, and American Eagle Outfitter, I've learned that it requires a different set of competencies than plain old search. But never mind that – Google is smart and will figure it out – eventually. Let's talk about what the marketers and consumers want.

Consumers just want to get a message or find something when they are near a place of interest to them – like a store. Even better, send them a personalized listing or message customized for something they have expressed an interest in while they are near a brick-and-mortar location, even pulling in CRM or frequent shopper data to make the alert more relevant.

Marketers will not pay for an ad that does not show the right place, like an icon for a gas station where there is no gas station, or an icon for Shell when the gas station is actually Chevron. They also will not pay for an ad that shows several places for one store – such as an icon associated with three geographically different locations when only one is correct. Most importantly, brands recognize and understand the risk of delivering an ad that references the wrong location to the user – however that consumer thinks about it. Savvy marketers are beginning to realize they can reach consumers on mobile when they are near a store – but they also recognize that it has to be done right in order to



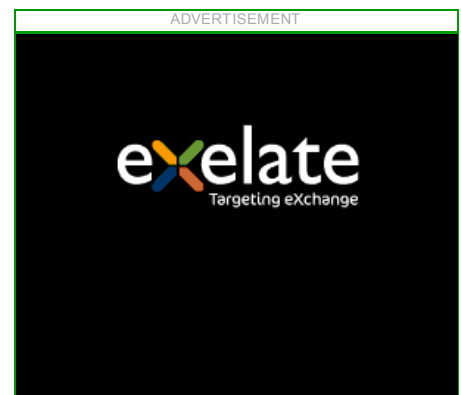
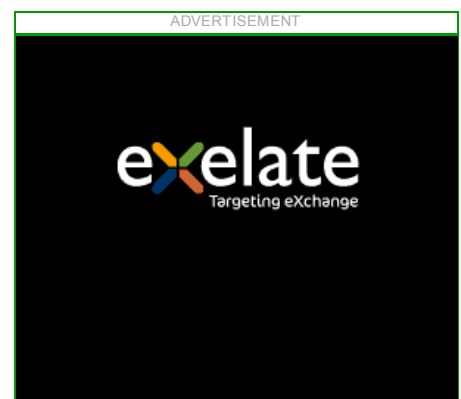
Web Picks

[Internet M&A Set To Bounce Back-- Soon](#)

[Mobile Web Use Surges 34% Nielsen Reports](#)

[Facebook Mobile App Sees 1MM Downloads in Just 2 Months](#)

[Get a Hit of "Social Media Steroids" with R2iSMASH](#)



Our research and other studies have shown clear demand from consumers to take advantage of location-triggered promotions, sales and coupons or to learn about entertainment opportunities around them. Executing a simple program around a handful of stores is not hard – but managing them at scale, and making them truly relevant – that is much harder than it looks. Take a retailer with 2,000 stores and 100,000 customers that it wants to opt-in to receive valuable messages. Now try and customize each message to each individual based on place and time, incorporating what the retailer already knows about that customer’s purchase patterns, to deliver a tailored message. This is a scalability problem that is not easily solved.

The consumer and brand perspectives outlined above may seem arcane, but they are crucial to delivering an effective marketing opportunity on a mobile phone. This is your location-based marketing checklist:

- How can a retailer create meaningful messages that consumers find valuable, not intrusive?
- Push vs. pull: are broadcast programs more effective, or are retailers recruiting and building their own opt-in programs?
- What is the best way to integrate existing email, SMS and CRM programs into mobile, and leverage location?
- How will you reach customers when they are in places of interest to my brand – like a sporting event or concert?
- What should a retailer’s strategy be about location-triggers – what distance from a store or point of interest is effective?
- How should I be thinking about frequency, time of day and day of the week?
- What should my messaging strategy be on mobile? How is it different from the web and traditional media?

There’s a lot to navigate in the location-based jungle. Let’s see where it all maps out.
Tags: google, placecast, location




Post a comment

Name*:

Email*:

Comment*:

Verification code*:  [refresh image](#)

[Add comment](#)

Comments (0)

There are currently no comments for this story.

digiday:DAILY - Where Digital Content, Commerce and Innovation Collide. A daily content hub and newsletter features news round ups and summary of the top stories in digital media and marketing, with a focus on digital content, advertising, and emerging platforms. The publication also includes commentary and analysis from the top experts and leading minds in the digital media business. Our readers are split between digital and traditional publishing, agency and brand executives and they come to us as it’s the one place to get all the big digital media and marketing stories first. We cover the latest news for online, internet, mobile, digital video, email, social media, widgets, RIA’s, digital out of home, digital magazines, ad networks, behavioral targeting, online gaming, digital marketing, digital media, digital publishing, digital advertising, and digital content

© digiday:DAILY, 2009. All rights reserved.
Powered by the [New Possibilities Group](#)