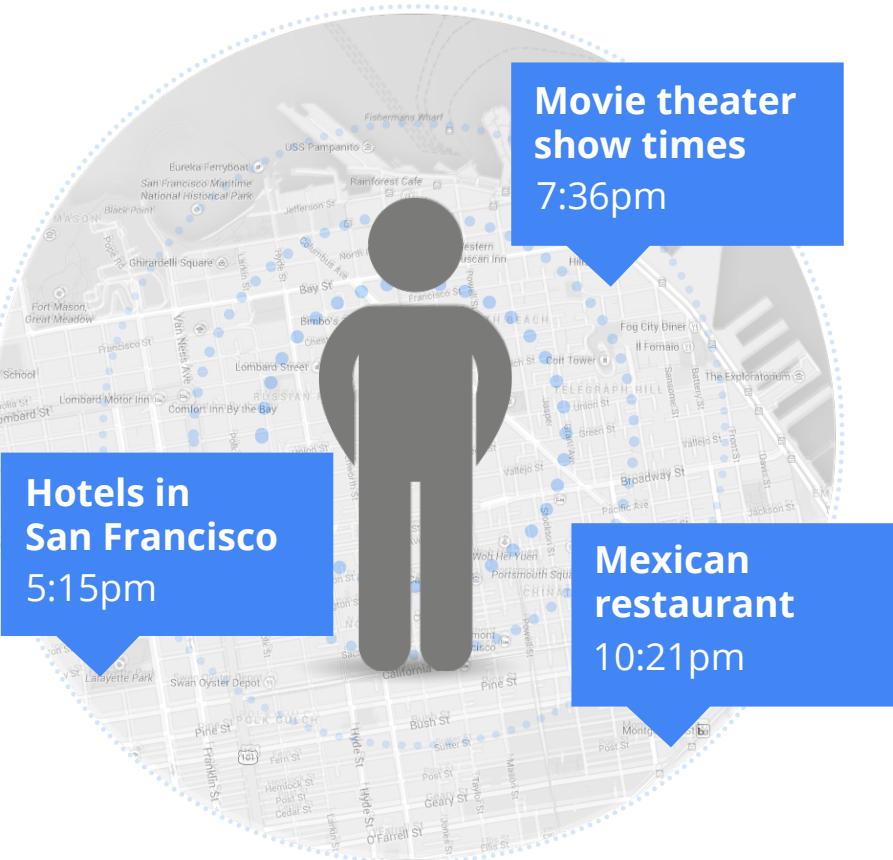




# Understanding Consumers' Local Search Behavior

May 2014

# WHAT WE WANTED TO LEARN



Every day, people search for things nearby by conducting **local searches**. These are searches aimed at finding things near where they happen to be. This may include finding directions to a local store/business, checking local store hours, or searching for local stores that have a product in stock.

We wanted to understand this local search behavior. Is it prominent? What information do consumers search for when they want to find things nearby? And, what potential does it hold for advertisers?

To answer these questions, Google commissioned two custom research studies to look at local search behavior across devices. This deck highlights the research findings.

# BACKGROUND & METHODOLOGY

## Background

Google partnered with Ipsos MediaCT and Purchased® on two custom studies to uncover consumers' local search behavior across smartphone and computer/tablet.

This study explored consumers' local search behavior in 9 verticals: Auto, CPG, Finance, Local Services, Media & Entertainment, Restaurant, Retail, Tech and Travel.



Ipsos MediaCT is the market research division within Ipsos that specializes in reaching, engaging and more effectively understanding today's digitally- driven consumer in the fast moving media, content and technology space.



Purchased® provides consumer brands and retailers with shopper plans, behaviors and purchases where they happen, when they happen. Using its Shopalong® shopper panel, Purchased captures this data in real-time via mobile, allowing businesses to gain a complete and accurate picture of the purchase decisions consumers make, and why they make them.

## Methodology

**All participants were:** 18+, conduct smartphone searches at least a few times a week.

### Ipsos Online Survey

**4,500** respondents completed one of nine vertical specific online surveys from Jan 10-22, 2014 (n=500 per vertical). Additional Ipsos criteria: bought in at least one of the nine verticals in the last 6 months, used search engines as a source of information for at least one of the nine verticals.

### Purchased Shopper Smartphone Diary

**653** respondents logged their smartphone search and in-store activities via the Shopalong app for seven days within Dec 18, 2013-Jan 30, 2014. In total, **3,431** smartphone searches and **2,262** store visits were logged and analyzed. Additional Purchased criteria: plan to buy in 2+ verticals in-store or online.

# EXECUTIVE SUMMARY



## **Consumers search with their location and proximity in mind**

- 4 in 5 consumers use search engines to find local information.
- They search on smartphone and computer/tablet for: store address, business hours, product availability and directions.



## **Local searchers take action**

- 50% of consumers who conducted a local search on their smartphone visited a store within a day, and 34% who searched on computer/tablet did the same.
- Local searches lead to more purchases than non-local searches. 18% of local searches on smartphone lead to a purchase within a day vs. 7% of non-local searches.



## **Consumers prefer and act on location-based ads**

- 4 in 5 consumers want ads customized to their city, zip code or immediate surroundings.
- More than 60% of consumers have used location information in ads. They say it's important to have store address and phone number in ads on computer/tablet, and directions and the call button in ads on smartphone.

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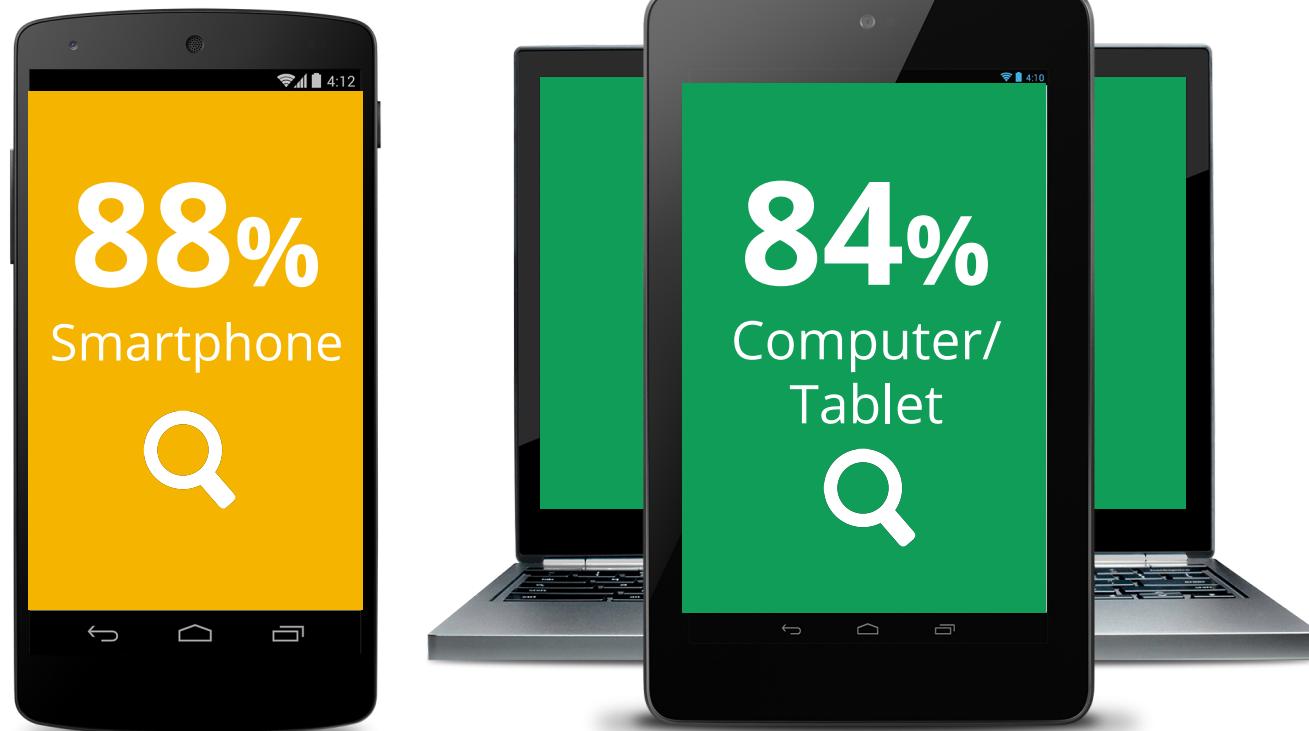
- 1** The prominence of local search
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## THE PROMINENCE OF LOCAL SEARCH

## CONSUMERS SEARCH WITH LOCAL INTENT ACROSS DEVICES

4 in 5

consumers conduct local searches  
on search engines. They search on:



Base: Used device to search for information on most recent vertical purchase (n=115-233 for smartphone, n=333-437 for computer/tablet)  
Google/Ipsos Survey Q8. What type(s) of information did you search for on your device(s) using search engines?  
Select all that apply for each device.

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# CONSUMERS SEARCH FOR A VARIETY OF LOCAL INFORMATION



SMARTPHONE



Business  
hours



Directions to  
local store



Local store  
address



COMPUTER/TABLET



Availability of  
product at local store



Business  
hours



Local store  
address

Base: Used device to search for information on most recent vertical purchase (n=115-233 for smartphone, n=333-437 for computer/tablet).

Google/Ipsos Survey Q8. What type(s) of information did you search for on your device(s) using search engines?  
Select all that apply for each device.

# CONSUMERS SEARCH FOR LOCAL INFORMATION THROUGHOUT THE PURCHASE PROCESS



## INSPIRATION

When you realized you wanted or needed to make a purchase.

57%

## RESEARCH

When you actively looked or researched your purchase.

53%

## PURCHASE

When you purchased your product or service.

43%

## POST-PURCHASE

After you purchased your product or service.

37%

SMARTPHONE



COMPUTER/TABLET

66%

83%

64%

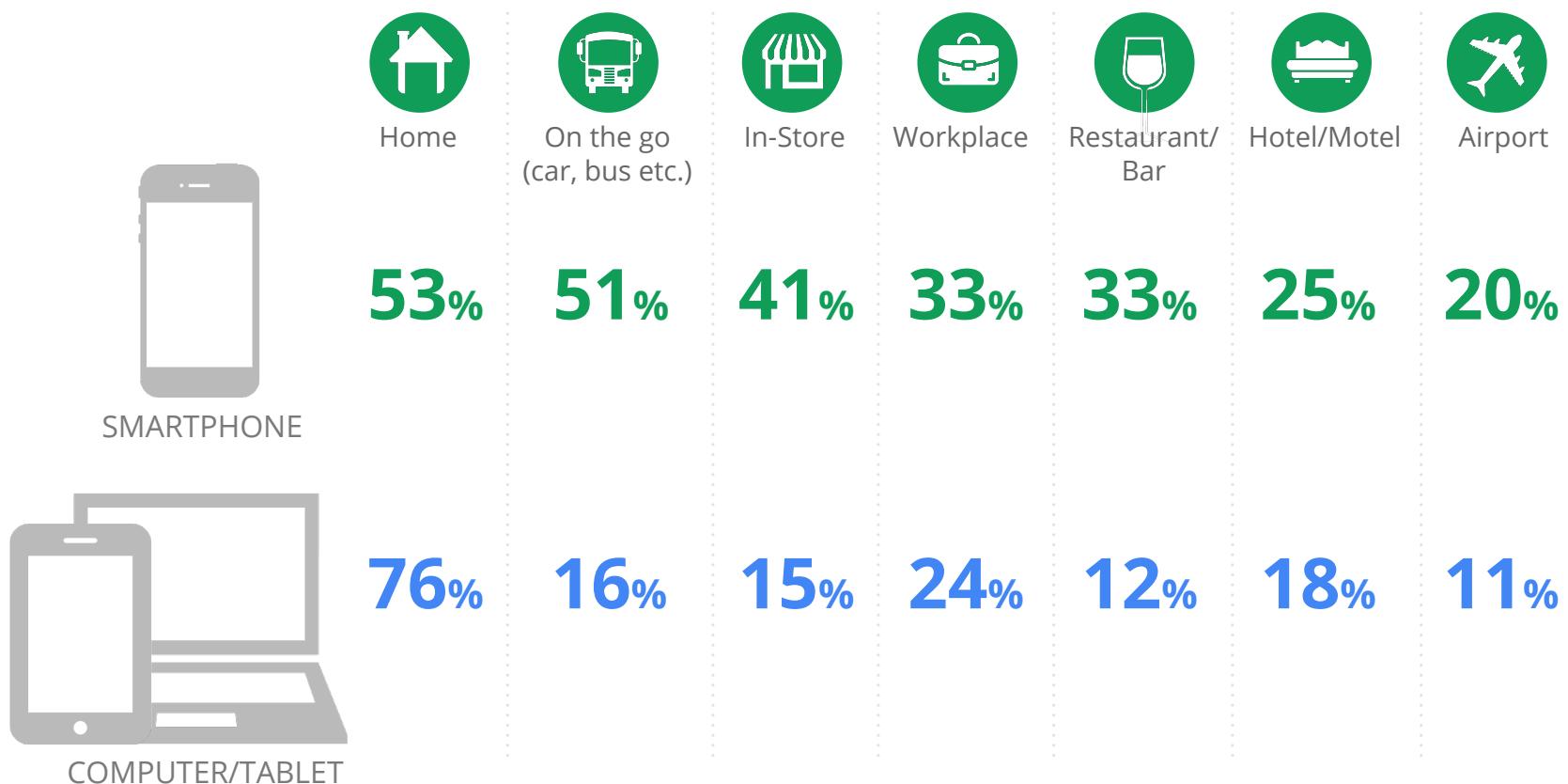
40%

Base: Used device for local searches on most recent vertical purchase (n=94-214 for smartphone, n=289-378 for computer/tablet)  
Google/Ipsos Survey Q10. Which device(s), if any, did you use to conduct local searches for your most recent [sub-vertical] [purchase / - related activity] during each of the following phases? Please select all that apply for each phase.

[google.com/think](http://google.com/think)

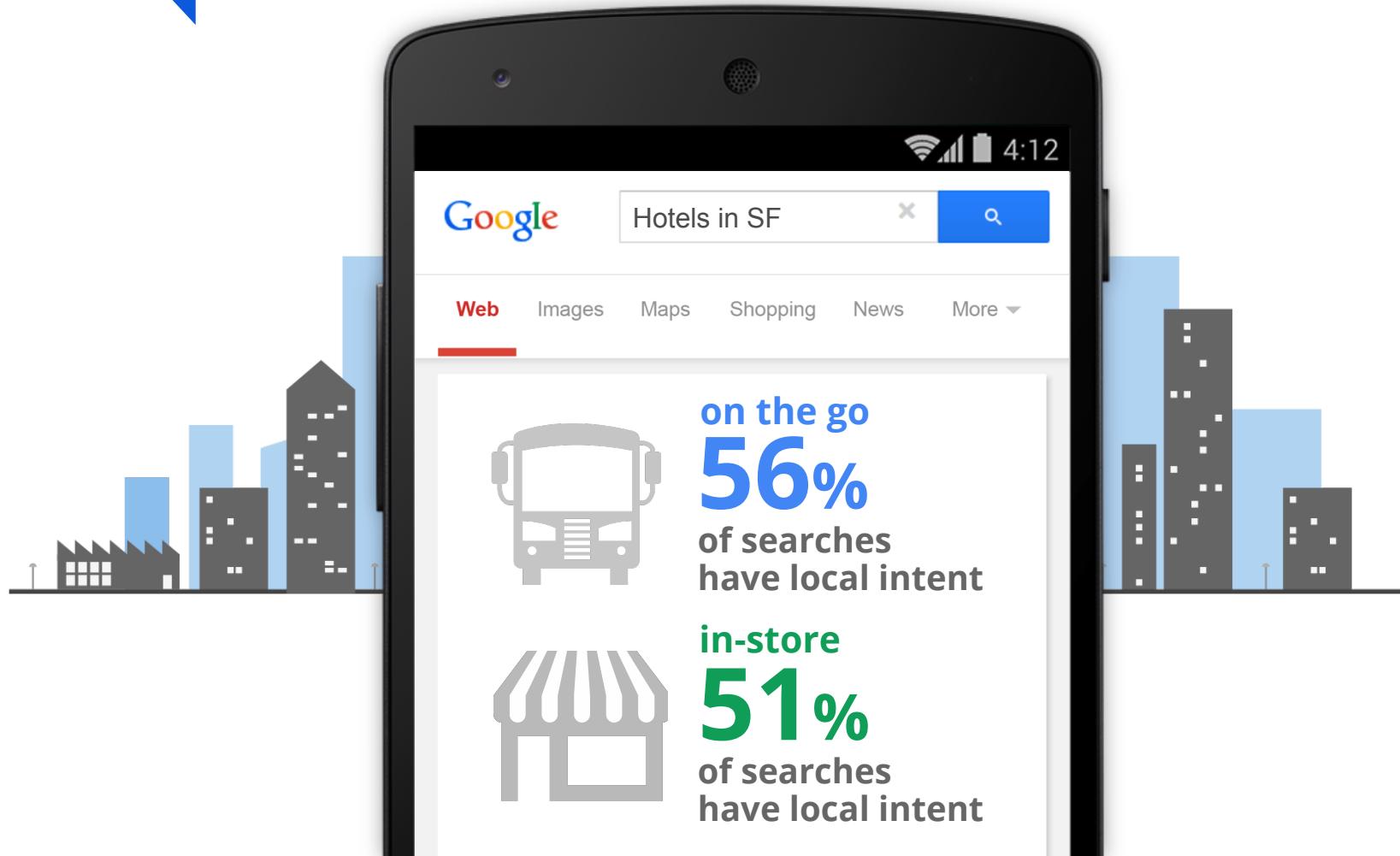
## CONSUMERS SEARCH FOR LOCAL INFORMATION IN A VARIETY OF PLACES

% of consumers who search for local information at:



Base: Used device for local searches on most recent vertical purchase (n=94-214 for smartphone, n=289-378 for computer/tablet)  
Google/Ipsos Survey Q13. Where were you when you conducted local searches (e.g., directions, local address, business hours, product availability) related to your [sub-vertical] [purchase / -related activity] on your device(s)? Please select all that apply for each device.  
Additional places where consumers search for local information: school/college, someone else's home, gym/health club, community/religious center, other.

## WHEN ON THE GO OR IN-STORES, A MAJORITY OF SMARTPHONE SEARCHES HAVE LOCAL INTENT



Base: n=293 on the go smartphone searches and n=95 in-store smartphone searches. Google/Purchased Diary Q1. Where were you when you conducted the search?; Q2. Was this a local search?

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## *What we learned*

Consumers are searching for local information everywhere, on every device, at every point in the purchase process.

## *Advertiser implications*

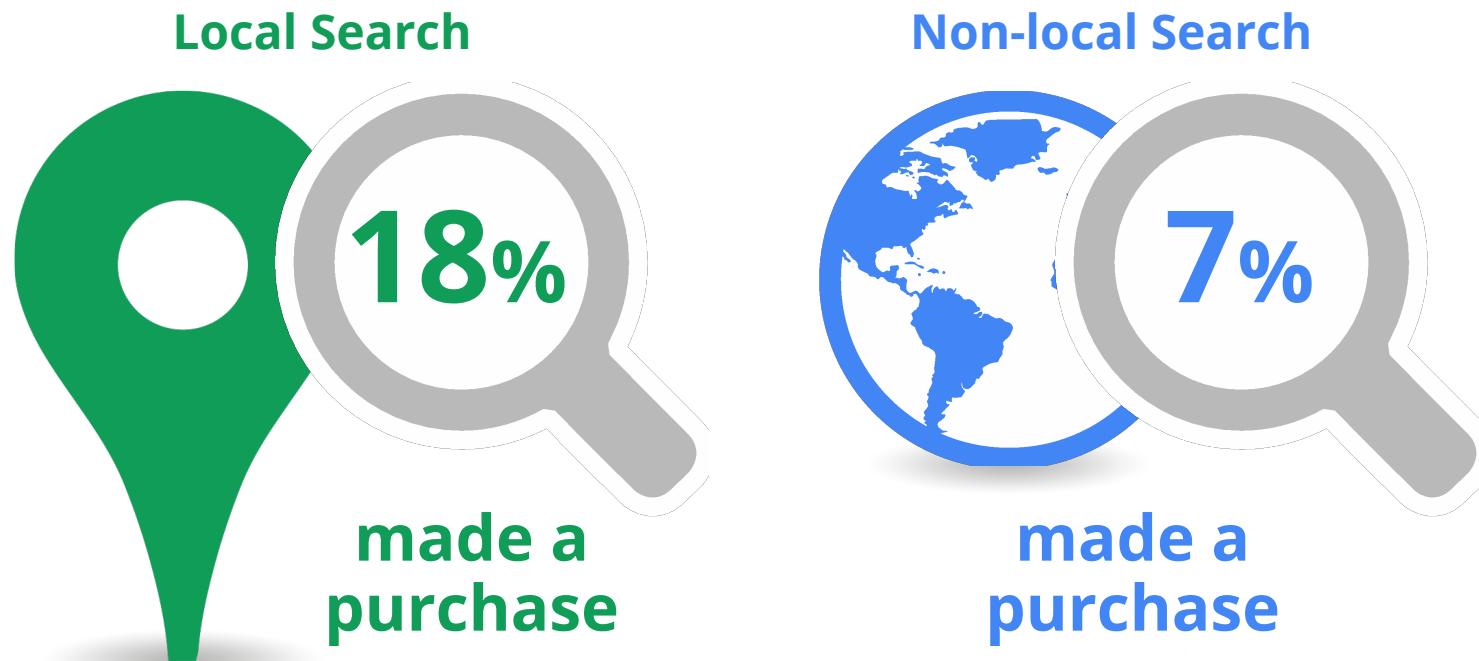
You should make sure your product availability, address and directions appear in your ads across smartphone and computer/tablet. And ensure your locations are in Google Places.



## CONSUMERS' LOCAL SEARCH BEHAVIOR

## CONSUMERS PURCHASE AT A HIGHER RATE AFTER LOCAL SEARCH

18% of local smartphone searches led to a purchase within a day compared to 7% of non-local searches



Base: n=1,282 local searches and n=2,131 non-local searches. Google/Purchased Diary Del. Elab Q1. Did the smartphone web search you conducted in the Shopalong app about TOPIC on DATE at LOCATION result in a purchase or other follow-up action? For example, if you searched for a restaurant did you actually go to the restaurant? Or if you searched for a plumber did you call the plumber?; Del. Elab Q2. How soon after the smartphone web search did you purchase or take a follow-up action?

## CONSUMERS ACT QUICKLY AFTER THEIR LOCAL SEARCH

% of consumers who visit a store within a day of their local search:

Smartphone



Computer/Tablet



Consumer behavior before visiting store and while in-store:

1 in 3

searches on smartphone occur right before consumers visit a store



15%

of in-store activities involve conducting smartphone searches about a product or for price comparison



Base: Used device for local searches on most recent vertical purchase (n=94-214 for smartphone, n=289-378 for computer/tablet). Google/Ipsos Survey Q15. How soon after conducting a local search on your device(s) for information on your most recent [sub-vertical] [purchase / -related activity] did you visit a related store or business? Please select one for each device.

Base: n=216 smartphone searches related to in-store purchase; n=1,399 in-store visits. Google/Purchased Diary Del. Elab Q2: It looks like you conducted a web search on your smartphone related to this purchase decision. When did you conduct the most recent search? Inst. Elab Q1: What did you do while you were at [store]? Select all that apply.

## CONSUMERS CAN BE INFLUENCED TO PURCHASE IN-STORE KNOWING A STORE IS NEARBY

Consumers would buy ***in-store*** instead of online knowing they:



Are close to a store  
**30%**



Can get the product quickly  
**35%**

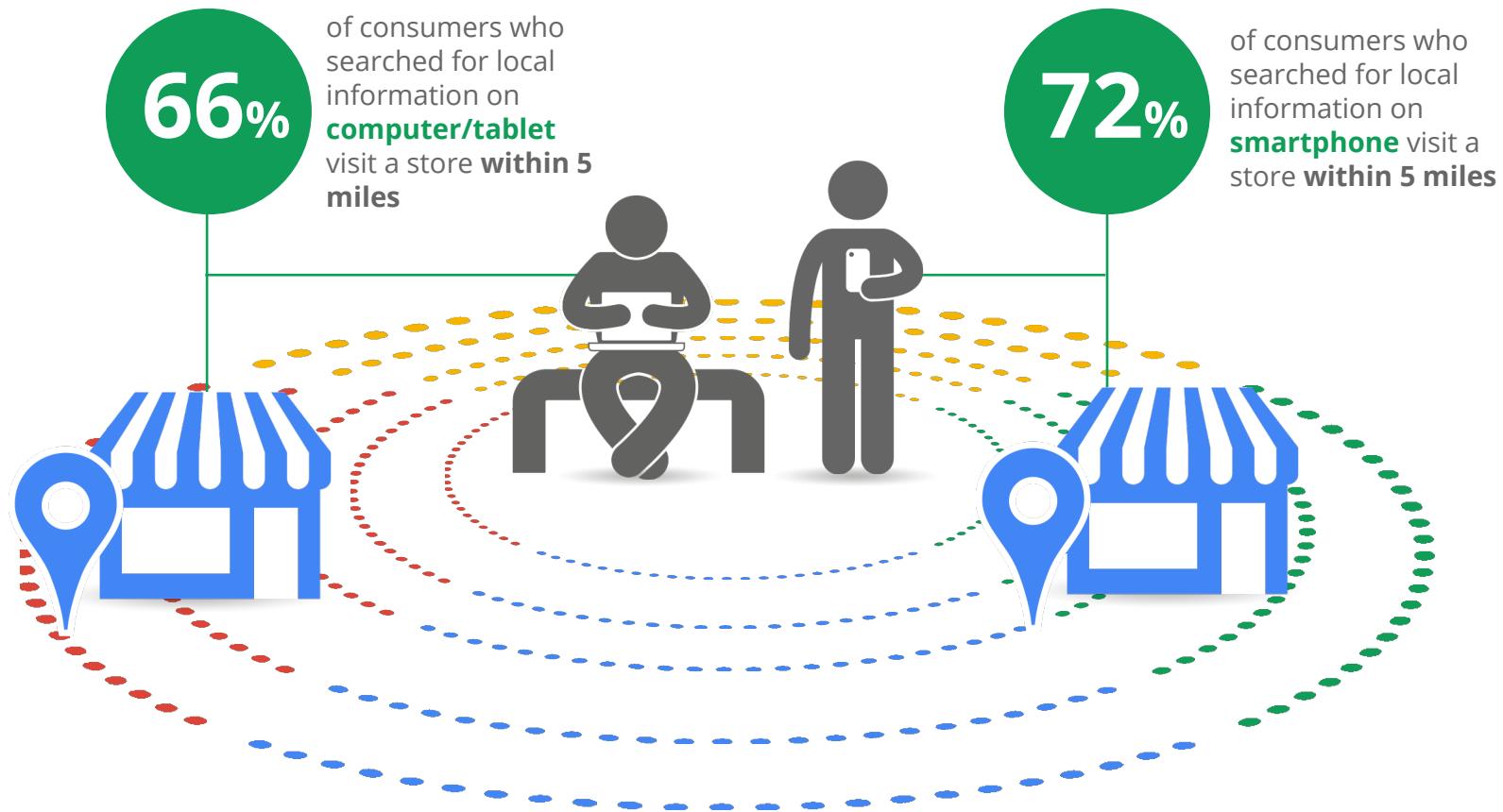


Get better pricing  
**31%**

Base: Total sample of 4,500 respondents (n=500 per vertical). Google/Ipsos Survey Q5. Imagine you are searching for [sub-vertical] information on your device to complete a(n) [sub-vertical] [purchase / -related activity] online. Which of the following reasons, if any, would drive you to complete your [purchase / -related activity] in-store/in-person, instead of online? Please select all that apply.

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## CONSUMERS CHOOSE STORES CLOSE TO THEIR LOCATION



Base: Used device for local searches on most recent vertical purchase and visited related store or business (n=81-204 for smartphone, n=247-350 for computer/tablet)

Google/Ipsos Survey Q16. And, how far away was the store or business when you decided to visit while searching on your device(s)? Select one for each device.

## *What we learned*

Local searchers are ready to act. Many visit a nearby location within a day and complete purchases at a higher rate than consumers who conduct non-local searches.

## *Advertiser implications*

You should use radius bidding to reach consumers near stores and build an attribution model for local searches.





## ENGAGING CONSUMERS WITH LOCATION-BASED ADS

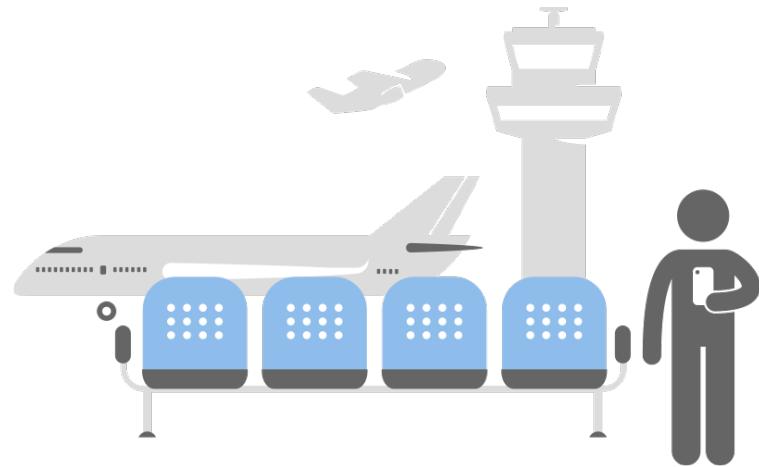
## CONSUMERS WANT ADS CUSTOMIZED TO THEIR LOCATION



**72%** of Computer/Tablet users

**67%** of Smartphone users

want ads customized  
to their *city/zip code*



**70%** of Computer/Tablet users

**61%** of Smartphone users

want ads customized to their  
*immediate surroundings*

Base: Use device to go online and quota assignment (n=500 per vertical for smartphone, n=482-492 for computer/tablet). Google/Ipsos Survey Q23. Do you want ads to be customized to your immediate surroundings when you search for [sub-vertical] information on each of the following devices? Q24. And, do you want ads to be customized to your zip code or city when you search for [sub-vertical] information on each of the following devices? Note: In aggregate, 4 in 5 consumers want ads customized to their location.

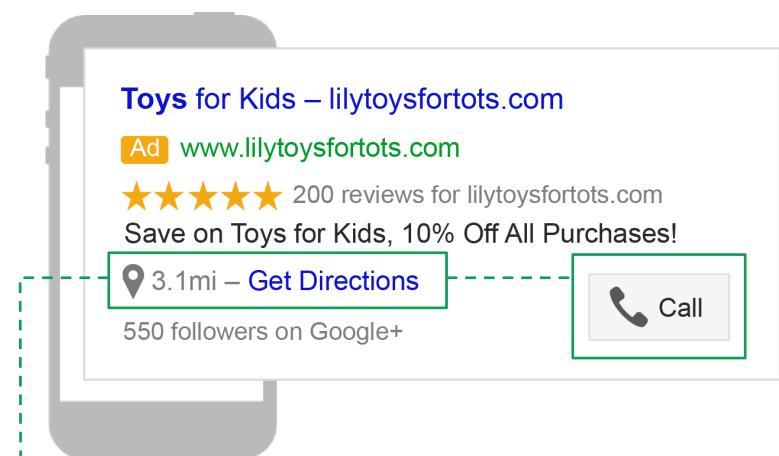
## CONSUMERS USE LOCATION INFORMATION IN ADS



Computer/Tablet

61%

use local address  
or phone number



Smartphone

68%

use get directions  
or call button

Base: Exposed to device image and quota assignment (n=134-179 for smartphone, n=306-361 for computer/tablet). Google/Ipsos Survey Q19. Have you ever used any of the following ad features when searching for [sub-vertical] information on your [device] to complete your [sub-vertical] [purchase / - related activity] at a local store or business? Select one for each.

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## CONSUMERS WHO HAVE USED LOCATION INFORMATION IN ADS SAY IT'S IMPORTANT



SMARTPHONE



**73%**

Think  
**Get Directions**  
is important



**70%**

Think  
**Call Button**  
is important



COMPUTER/TABLET



**78%**

Think  
**Local Address**  
is important



**77%**

Think  
**Phone Number**  
is important

Base: Used ad features on device and quota assignment (n=77-124 for Get Directions, n=67-101 for Call Button, n=129-254 for Local Address, n=111-240 for Phone Number)

Google/Ipsos Survey Q20. And, how important are these ad features to you when searching for [sub-vertical] information on your [device] to complete your [sub-vertical] [purchase / -related activity] at a local store or business? Select one for each.

## LOCATION-BASED ADS LEAD CONSUMERS TO VISIT STORES OR MAKE PURCHASES

**32%**

visited stores /  
made purchases



**19%**

made unplanned visits to  
stores / made purchases



Base: n=509 final survey respondents who reported seeing a location-based ad in the last 7 days. Google/Purchased Final Survey  
Q21. Did any location-based ads lead you to take actions beyond clicks, such as store visits and/or store purchases?  
Q22. Did location-based ads lead you to make any unplanned store visits or unplanned purchases?

## *What we learned*

Consumers prefer location-based ads and expect ads to be relevant to their city, zip code or immediate surroundings.

## *Advertiser implications*

You should use location extensions. And you can use location bid adjustments to fine-tune bids for specific areas, like cities or zip codes.





## Understanding Consumers' Local Search Behavior

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