WHY YOUR MOBILE LOCATION CAMPAIGNS MISS THE MARK

Re-route your mobile campaigns
with second-party data
for increased in-store sales.

ownerIQ

INTRODUCTION

It's Friday. You're walking out the door of your office, heading home for the weekend when you get a text from your spouse. Your 7-year-old daughter has a birthday party the next morning, and you need to buy a gift. Instinctively, you pull out your phone, search for this month's best selling toys, read a review or two, and locate a big box retailer that has your gift of choice in stock. *This is a mobile moment.* We have them every day.

Mobile moments are those situations where we turn to our phones for immediate access to something we need – information, weather reports, directions, and increasingly, nearby retail stores. In fact, 69% of us turn to mobile search first in a moment of need (*Realizing the Potential of Mobile Measurement*, thinkwithGoogle.com).

Even in this ever-changing digital landscape, 90% of today's shoppers are still buying in-store. According to

Forrester Research, 2016 saw mobile influence $1.05 trillion in offline sales. Moreover, 52% of consumers compare prices, 47% look up product information, and 32% seek out stores near them — all over mobile (Forrester Research). *What's more, 76% of those who search on their smartphone for something nearby visit a related business within a day,* and 28% of those searches result in a purchase.

We humans are mobile beings with mobile devices; for better or worse, we'll continue to carry these devices everywhere we go, including to our favorite stores. Mobile has morphed into our extended consciousness, and there's no better indicator of what we shoppers will buy in a store than the behavior we exhibit on our mobile phones.

69%

**TURN TO MOBILE FIRST
IN A MOMENT OF NEED**

GEO-WEIGHTING

ge-o-weight-ing [jē,o/'wādiNG]
Geo-Targeting Methodology
Programmatic targeting that combines user-level proximity and shopping behavior as decisioning inputs for driving outcomes at retail.

At the same time, mobile phones are different than desktop computers in their access to GPS or Wi-Fi powered location data. Marketers understand the value of location targeting, yet so many are unsatisfied with the results of their location-based campaigns.

The following eGuide will explore the pitfalls of today's mobile location-based campaigns, and delve into why the next generation of ad targeting will combine the best of location and user-level mobile shopping behavior to maximize in-store outcomes.

THE CURRENT STATE OF LOCATION TARGETING

Marketers recognize the importance of mobile, and they understand that *behavior on mobile is task-oriented.* Consumers don't browse aimlessly for products the way they may on their laptop at home. Instead, they identify

a product need, pull out their phone to research reviews, and find out where they can get it for the best price.

In a broad sense, location-based targeting, a means of delivering various marketing content to a particular user based on that user's location (anywhere from a large-scale country segment to a granular latitude/longitude point), has long been a marketer's favorite technique for driving mobile shoppers to nearby store locations. More specifically, however, *because location targeting campaigns often rely exclusively on location data, they can sometimes miss the mark* and fail to drive mobile shoppers in-store altogether.

First, let's take a closer look at two common types of location targeting techniques for a better understanding of how these campaigns are activated today...

Geo-fencing advertises to unqualified buyers within the radius and misses out on qualified buyers just beyond the fence.

ZIP-Scoring targets only high-scoring zones, which excludes many close, qualified buyers outside these areas.

Geo-Fencing

Geo-Fencing is when a hard perimeter is set around the location you want to drive users to (i.e. a store). Geo-Fencing is too broad to solve the various challenges faced by different stores selling different products. By setting a hard perimeter and targeting everyone within it equally, you are simultaneously advertising to unqualified users as well as missing qualified users outside the fence.

ZIP Code Targeting

The ZIP Code Targeting approach builds on Geo-Fencing by closing in on predefined locations using ZIP codes and DMAs to identify potential performance — sometimes targeting only the high-scoring ZIPs/DMAs (as determined by past performance and fixed location). This location-centered tactic has proven too rigid in today's ever-fluid marketplace.

A user's location does not equal the user's actionable and ever-changing shopping behavior. When your marketing campaigns depend on location data only, without the use of shopping behavior data, the result is an incomplete picture of your shopper. *Proximity is not a proxy for propensity to buy.*
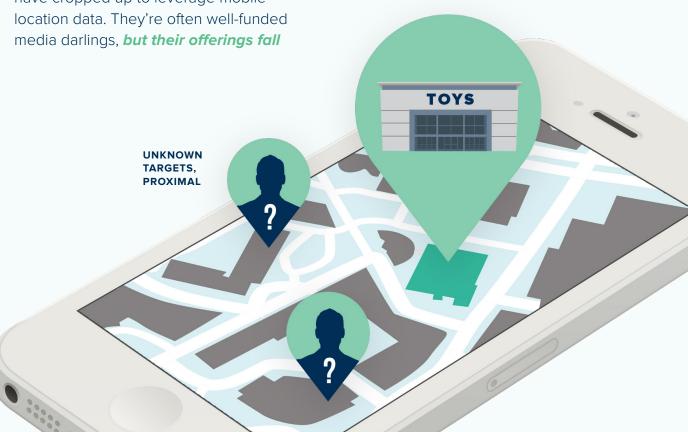
IT'S ALL ABOUT
THE SHOPPER

Let's take a sentence or two to recap what we've learned. Location targeting techniques are doable if you're looking to reach some unknown shoppers – but assuming you want *the right shoppers to walk into your store,* then you're wasting precious marketing resources and a lot of money by relying on location targeting alone. Instead, try adding shopping data to your location targeting campaigns to ensure your content is reaching those most likely to buy your products.

THE UNINTENDED
AUDIENCE DILEMMA

If you're a toy retailer looking to drive consumers into your store, you're probably not keen on targeting recent college grads, no matter how close to your store they may be. Likewise, If you're a clothing and accessories retailer who targets teens and college students, you're not seeking 65-year-old

retirees spending their days at the mall, no matter how many times they walk by. To the point, *shopping behavior matters!* And you want to spend your precious resources targeting ONLY the right prospects.

Recently, a whole slew of companies have cropped up to leverage mobile location data. They're often well-funded media darlings, *but their offerings fall*

short when it comes to predicting who will buy in store. In other words, these companies are missing a critical supplement to their location targeting strategies through – you got it – shopping behavior data. But where does this coveted data come from?

UNKNOWN
TARGETS,
PROXIMAL

TOYS

THE MISSING PIECE: SECOND-PARTY DATA

Second-party data, or transparent access to a non-competitive and relevant partner's first-party data, not only expands digital marketing initiatives significantly through scalability, but is also a reflection of your shoppers' dynamic behavior on mobile. While most location targeting techniques rely on broad third-party data aggregated through various external platforms and websites (such as demographics), second-party data makes use of only the data source deemed relevant to a specified store or brand, *personalizing the campaign at the user-level.* Moreover, because with second-party data you get to choose your data provider, your data accuracy via transparency is improved dramatically.

ownerIQ uses second-party data to bid programmatically on media; these bids are based on EP (expected performance) scoring, which work to evaluate every

user and opportunity individually, over 520,000 times per second. Furthermore, ownerIQ's exclusive data, made available through a vast infrastructure of pixeled sites, cataloged web pages, and DCT (digital checkout tag) data streams, connects the dots between massive amounts of shopping patterns and behaviors. And it's these very

actionable mobile behaviors that paint an *accurate and ever-changing picture of the shoppers near your store most likely to purchase.* It's this very data that's critical to add to your location targeting campaign.

ownerIQ's Geo-Weighting methodology considers each customer individually, factoring location *and* shopping behaviors. Moreover, it's not constricted by arbitrary fences.

THE GEO-WEIGHTING COMBO

The new king in the location targeting game is all about the combo – *employing your everyday location targeting strategy and injecting it with powerful shopping behavior data.* Welcome to the rise of Geo-Weighting, which is revolutionizing the entire process of driving shoppers in store.

ownerIQ's new Geo-Weighting technology reaches consumers at the shopper-level instead of through arbitrary and dated perimeters.

Geo-Weighting considers a buyer's actual location via latitude and longitude, as well as the distance between the buyer and the nearest store, to drive actual in-store outcomes – it's an

absolute necessity in today's dynamic world of digital advertising. Instead of treating shoppers like numbers grouped together in a particular radius, Geo-Weighting strategically removes limitations pertaining to the size of a certain location, equally targeting small and large population areas.

Using advanced and robust audience targeting techniques, Geo-Weighting locates the potential shopper based on their unique behaviors, including browsing behavior and EP scores. For example, if a consumer is near a store, but is determined an unlikely buyer or visitor, Geo-Weighting won't bother wasting any precious impressions.

On the other hand, if another consumer is a considerable distance away from a store, say more than 20 miles, but this consumer's browsing behavior indicates the likelihood to buy, we won't save our impressions — we'll target the user because it makes sense. Simple as that. Remember, it all goes back to the shopper, and they're always moving, making purchasing decisions on the fly, at their convenience.

Geo-Weighting eliminates the guessing game present in Geo-Fencing through the power of ownerIQ's transparent second-party data, or access to a participant's highly relevant and valuable first-party data, expanding digital marketing and programmatic initiatives significantly. While other location-targeting techniques rely on broad third-party data aggregated through various external platforms and websites (such as demographics), Geo-Weighting depends on second-party data to makes use of only the data source deemed relevant to a specified store or brand, personalizing the campaign at the user-level.

CASE STUDY: HOLIDAY CAMPAIGN

This *major national toy retailer* maximized ROI on their mobile ad spend with ownerIQ by targeting at the intersection of *location* and *shopping behavior,* reaching the right shoppers near stores.

GEO-WEIGHTED DELIVERY OUTCOMES

37.85%

LIFT IN STORE FOOT TRAFFIC
(COMPARED TO A 1-TO-1 CONTROL GROUP, AS MEASURED BY PLACED)

100K+

IN-STORE VISITS DRIVEN BY **MOBILE IMPRESSIONS**

$0.22

COST PER STORE VISIT

THE HOLY GRAIL: A NEW SOLUTION FOR MEASURING IN-STORE SALES

Mobile's not going anywhere anytime soon, quite the opposite — it's playing an increasingly larger role in consumers' purchases. Without mobile, it's nearly impossible for marketers to get a single view of how their spend amounts to ROI, across devices, by marketing tactic and/or by product. And that's precisely why ownerIQ's new Offline Attribution report is in such demand; it's a logical necessity for staying competitive. Just as mobile moments are intuitively driving today's purchase behavior.

The new Offline Attribution capability ingests retailers' Point of Sale and Customer data to match in-store transactions to impressions served. This new report provides marketers with even more insight into their media campaigns. And while not every in-store transaction will have customer data attached to it, ownerIQ's solution can nonetheless

identify a certain portion of the in-store sales that occurred as a direct result of an ownerIQ media campaign.

In a nutshell, the opportunity to significantly increase your in-store outcomes is now. By targeting at the user-level, Geo-Weighting creates an audience of truly qualified retail shoppers. The solution understands consumer browsing behavior, going beyond such restrictive boundaries as ZIP codes and DMAs to include fluid shopper activity using latitude and longitude location data. With Geo-Weighting, you're finally targeting the right in-market shopper.

62%

LIFT IN STORE FOOT TRAFFIC
DRIVEN BY **MOBILE OVER DESKTOP**
(AS MEASURED BY PLACED)

DESKTOP
MOBILE

ABOUT OWNERIQ

ownerIQ is the first and only transparent data marketplace focused on creating successful partnerships for retailers, brands and marketers alike. ownerIQ is driven by the idea that all brands and retailers find value in having the ability to transparently share their audience data with their marketing partners. ownerIQ's brand and retail partners are at the forefront of this digital disruption and understand their audience data is a valuable marketing asset. By fostering transparent data economies between retailers, OEMs, co-op partners and product brands, ownerIQ enables brands of all types to support their digital marketing agendas and drive sales. ownerIQ's second-party data marketplace supports digital media's largest and most transparent shared data economy where these partnerships and transactions are fostered through a cloud-based custom built Data Management Platform. Today, ownerIQ provides over 670+ Retailer and Product Brand marketers with a platform to maximize the value of their data and access 200+ million consumers and 2.8 billion shopping interactions monthly. ownerIQ partners leverage their audiences to generate marketing budget and ad support, open up ad revenue channels, and generate new customer insights. As a result, making it possible for any programmatic advertiser to power media activations (online advertising campaigns) that are more transparent, more relevant, and more insightful than any 3rd party data execution. ownerIQ was founded in 2007 and is headquartered in Boston, MA and has offices in NYC, Chicago, San Francisco, Los Angeles, and Seattle. For more information, visit **www.ownerIQ.com.**