

The Power Of Location

Everything You Need To Know About
Digital Location Management

Table Of Contents

Executive Summary	1
The Time Is Right For Digital Location Management	2
Marketers Are Working To Take Advantage Of Digital Location Management.....	3
Marketers Build A Foundation For The Future With Digital Location Management.....	7
Key Recommendations	9
Appendix A: Methodology	10
Appendix B: Supplemental Material	10
Appendix C: Endnotes.....	10

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Executive Summary

Digital location management ensures that a business' digital presence — where a customer gets information about the company's locations online — is accurate, consistent and provides information to customers where they look for it. This gives marketers the opportunity to engage with target customers, provide relevant incremental sales, and enhance both the brand and customer experience.

Led by smartphones and mobile, new technologies have created a huge opportunity for targeted engagements that make creating local campaigns possible and more contextual. In addition, big digital marketing budgets for paid search and digital advertising are looking to maintain their return on investment, and are seeing local marketing as a key opportunity to keep the momentum going. As a result, look for funding to flow into targeted, personalized online and offline marketing with location at the center.

To exploit this opportunity, businesses need strong digital location management to serve as the foundation. Building that foundation will require a focused work effort, and technology solutions and services will give enterprises a head start on the competition.

In March 2015, Yext commissioned Forrester Consulting to study the efforts of companies with local brick-and-mortar presence to create, update, and maintain accurate and consistent information about local operations. Forrester conducted an online survey of 102 marketing professionals responsible for digital location management, followed by qualitative interviews with six senior marketing managers leading local marketing in their companies.

KEY FINDINGS

In conducting this study, Forrester encountered three key findings:

› **Digital location management is an increasingly important element of local marketing.** The majority of survey respondents ranked local digital presence as important or very important. They saw accurate, consistent local location information improving the brand, customer experience, and the opportunity to convert leads to sales. Interviewees gave strong anecdotal responses on the growing importance of digital presence, citing strong customer experience, increased sales, and cost savings in their examples.

› **Marketers who truly master digital location management will be in a position to lead.** Respondents in this survey reported a focus on owned digital assets and reported using internal staff in a largely manual effort. They also reported issues with consistency and accuracy across sites and updates not being in real time. This shows that the work needs to continue to master both owned digital assets and third-party sites, update information more frequently to keep it fresh, and use technology to keep information across the digital universe accurate, consistent, and timely.

› **Automation will be the competitive edge.** Technology will help local marketers master the vast undertaking that lies before them, helping organizations update local information across many different sites accurately, consistently, and frequently from one central place. A consistent data source and robust analytics will enable local marketers to learn more about their local customers' needs from a variety of interactions and devices, and enrich information, offers, and experiences. Ultimately, both the customer and the enterprise will benefit from the richer customer experience.

The Time Is Right For Digital Location Management

Digital marketing is not only going global, it's going local. Businesses have adopted digital marketing over the past 15 years and evolved their focus and investments to master the various elements — online advertising, search, social media, and email — and create a robust and interactive marketing presence online. Forrester predicts that by 2019, marketing leaders will spend more than \$103 billion on digital marketing (see Figure 1).¹ Local and location-oriented marketing is an increasingly important part of the capability of each of the components of digital marketing uses, from mobile geolocation search marketing to relevant local offers by email.

Forrester defines “local digital presence” as the places where customers find information online about a business’ local physical locations. This could include location and phone listings as well as branch hours, products, services, and relevant local offers. Such information exists on company and brand websites, store locators and location

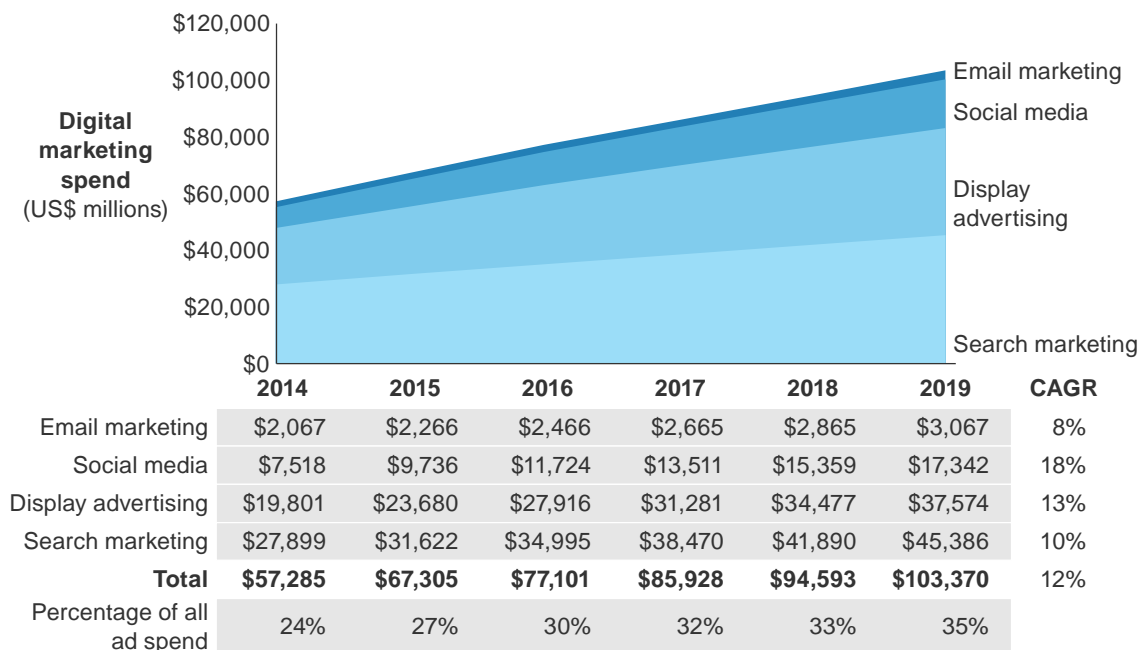
pages, social media pages, and local information and review sites/applications. Customers can find this information by directly accessing those sites or through online search. This is a complex area to manage, but rich in marketing and customer experience opportunity, in part because it's so closely integrated with other elements of marketing.

MAKING LOCAL SCALABLE AND APPROACHABLE

As digital marketing technology and practices have developed, barriers that previously made marketers shy away from the scale issues associated with local are reduced.² Led by smartphones and other mobile devices, new technologies have created a huge opportunity for targeted engagements that make creating effective local campaigns possible. Developing a local marketing strategy and taking advantage of the components of digital location management can deliver:

- › **Personalization.** Customers get information that is pertinent to them in the context of time and location.

FIGURE 1
US Digital Marketing Forecast, 2014 to 2019



Note: All numbers rounded down

Source: Forrester Research Digital Marketing Forecasts, 2014 To 2019 (US)

Source: Forrester Research, Inc.

- › **Targeted engagements.** Companies can offer more relevant, specific offers to specific audiences.
- › **Successful mobile moments.** Customers seeking information about a particular physical location on their mobile devices get what they want, in real time.

Customers looking for these kinds of contextual interactions give marketers an opportunity to create relationships and deliver utility with local information.³

As big direct response marketers are finding online media budgets hitting their limits, local customer touch points become increasingly important for providing an alternative format to connect with and engage customers. Forrester predicts that, within five years, marketers will shift some of their still-growing digital media budget to fund customer-focused experiences like personalized information and experiences, social sharing, and local context. For example, a global sporting goods manufacturer is cutting its mass media spend by 40% in order to fund its fitness tracker and related mobile apps.⁴ The result is more targeted, personal online and offline tactics, with location at the center.

In turn, this customer engagement will yield data-driven insights and improve the next cycle of interaction, providing a persistent incentive to engage.⁵ At the local level, this means location-specific insights like product inventory, department hours, or pricing info, which can lure shoppers away from competitor stores and into your nearby location.⁶ And opportunities for local engagement will only grow as geolocation technologies like beacons and the Internet of Things become more commonplace.

FOUNDATION OF LOCATION

To succeed in this new environment, businesses must build strong digital location management practices to serve as the foundation for local marketing efforts. This study shows that accurate, consistent information is a strong touch point for customers. Survey respondents (marketing professionals currently responsible for digital location management in their companies) saw the importance of this effort, with 69% of them rating it as very important. When we asked respondents what specific benefits they gain from their local digital presence, we found that 70% see more brand consistency and 66% see a better customer experience.

Forrester believes that now is the time to connect with customers at the local level via digital channels. Smartphones enable location-specific behaviors like “find a store near me” or “compare prices in-store with a

competitor.” In fact, between 40% and 50% of all searches on mobile devices have local intent, and nearly 80% of local shopping searches via mobile convert.⁷

When asked about benefits that a strong local digital presence provides, survey respondents saw it simply: sixty-five percent said that customers can find the information they need about locations in search. Other top benefits selected include reinforcement of brand message, discoverability, and creating a positive customer experience before customers walk through the door (see Figure 2).

Marketers Are Working To Take Advantage Of Digital Location Management

As marketers responsible for digital location management are beginning to discover, the local information ecosystem is rapidly expanding beyond areas of their direct control. It requires a significant investment of resources to monitor and update local location information where it lives, including the corporate website, location pages, social media sites, and local review and information sites. In addition, the amount and types of information to manage are growing, including name, address, and phone number; marketing and product information; and relevant local and time-based offers, events, and social media posts (see Figure 3). However, tackling and overcoming these challenges present marketers with an opportunity to get the edge on their competition, as they engage consumers with relevant, contextual content and offers at the local level.

One clear opportunity is to improve consistency and accuracy, and expand content to fully exploit the power of local. Marketers leading this space are facing the challenges and opportunities of systematically mastering basic content and enhanced content across owned sites and apps, third-party sites, and review sites.

When asked to rate their current local digital presence programs, 51% of respondents felt that they were successful, and 18% felt that they were very successful. However, responses to other questions showed some inconsistencies that highlight the challenges in ensuring information across the spectrum of owned and unowned digital channels is accurate, consistent, and complete.

The growing complexity and importance of digital location management means that marketers should tackle the following challenges and opportunities:

FIGURE 2

How Does Location Management For Local Digital Presence Help?

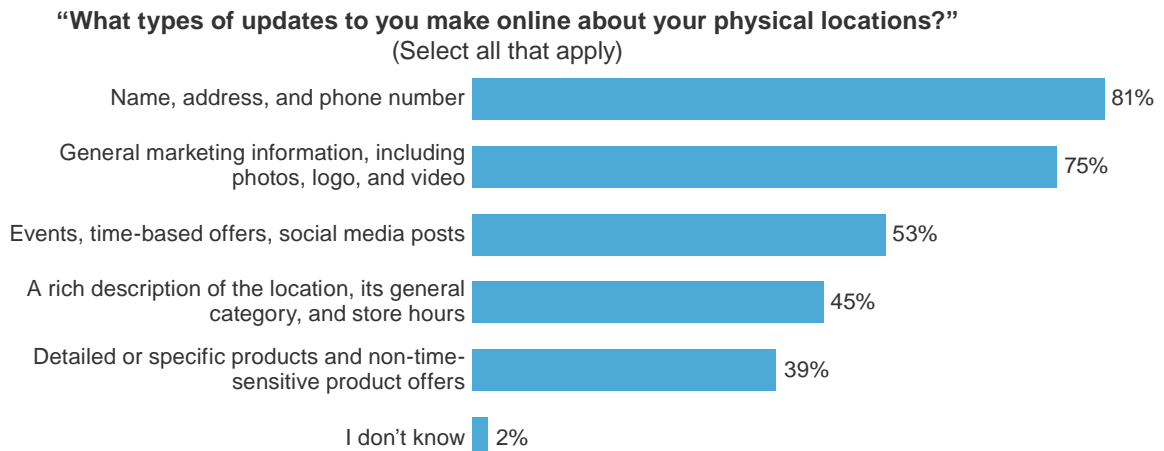


Base: 102 marketing professionals responsible for local digital presence

Source: A commissioned study conducted by Forrester Consulting on behalf of Yext, April 2015

FIGURE 3

Local Information Becomes More Complex



Base: 102 marketing professionals responsible for local digital presence

Source: A commissioned study conducted by Forrester Consulting on behalf of Yext, April 2015

› **Ensure local digital presence is correct and consistent.**

Fifty-four percent of survey respondents reported that incorrect information is a key issue. Forty-one percent said information is not consistent across all sources. Thirty-nine percent reported sites do not keep up with information changes, and 36% said information is not complete (see Figure 4). One marketing operations head of a large US travel and leisure enterprise pointed to the dangers of this:

“Our guests look for information about our locations and things they can do locally, and if it’s not correct, we could ruin their experience. Getting it right is make or break for us.”

– Head of Marketing Operations, US Travel and Leisure Company

He and his team are closely monitoring and updating sites and applications for consistency and accuracy.

› **Master both owned and unowned digital assets.**

Survey respondents reported that the top four digital categories they managed were: 1) their own website; (83% of respondents); 2) their social media pages (60% of respondents); 3) their mobile website or applications (56% of respondents); and 4) online search (43% of respondents). This reflects the first priority of good local digital location management — master the sites you own. According to respondents, sites and channels that lie

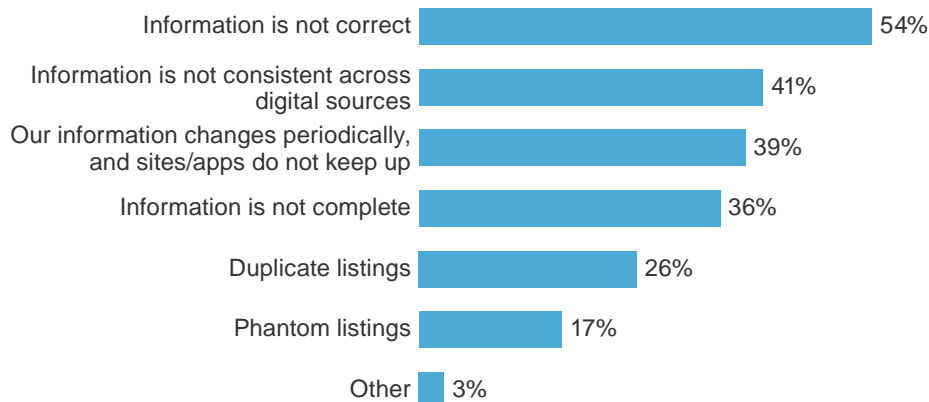
further out of the scope of control for marketers, like third-party specialty sites or local review and information sites, are given much less attention in their programs. Given the effort of managing just owned sites, this is not surprising — but marketers know that consumers will be just as likely to initiate a generic search on their cell phone as they will be to visit the company website. One consumer engagement director of a national consumer goods retail chain estimated that half the local information search traffic comes from “unbranded searches,” and he is looking to monitor and manage information on a growing number of third-party sites. In addition, customer reviews have become an increasingly influential part of the process, with 49% of the survey respondents ranking review monitoring and response as very important to them.

› **Keep local information fresh with frequent updates.**

When we asked respondents how often they made updates to local information, only 12% said they updated information daily, with 31% making weekly changes and 24% making monthly changes. This current norm is far from the real-time response that customers are increasingly expecting. In contextual marketing, customers drive the relationship they have with enterprises, and companies must respond by sharing rather than taking, anticipating customers’ needs rather than reacting, and delivering value in the moment rather than just at the point of purchase.⁸ Businesses are updating information and communicating

FIGURE 4
Top Key Issues Around Consistency

“What are some of the key issues around consistency that you see?”
(Select all that apply)



Base: 102 marketing professionals responsible for local digital presence

Source: A commissioned study conducted by Forrester Consulting on behalf of Yext, April 2015

more quickly in other areas, so the mindset and opportunity are there for the taking with digital location management to reach customers effectively.

› **Anticipate changing customer search behavior, both on the desktop and on mobile websites and apps.**

Marketers are painfully aware that customers find local information in a variety of places outside their realm of direct control. One executive interviewed for the study put it bluntly:

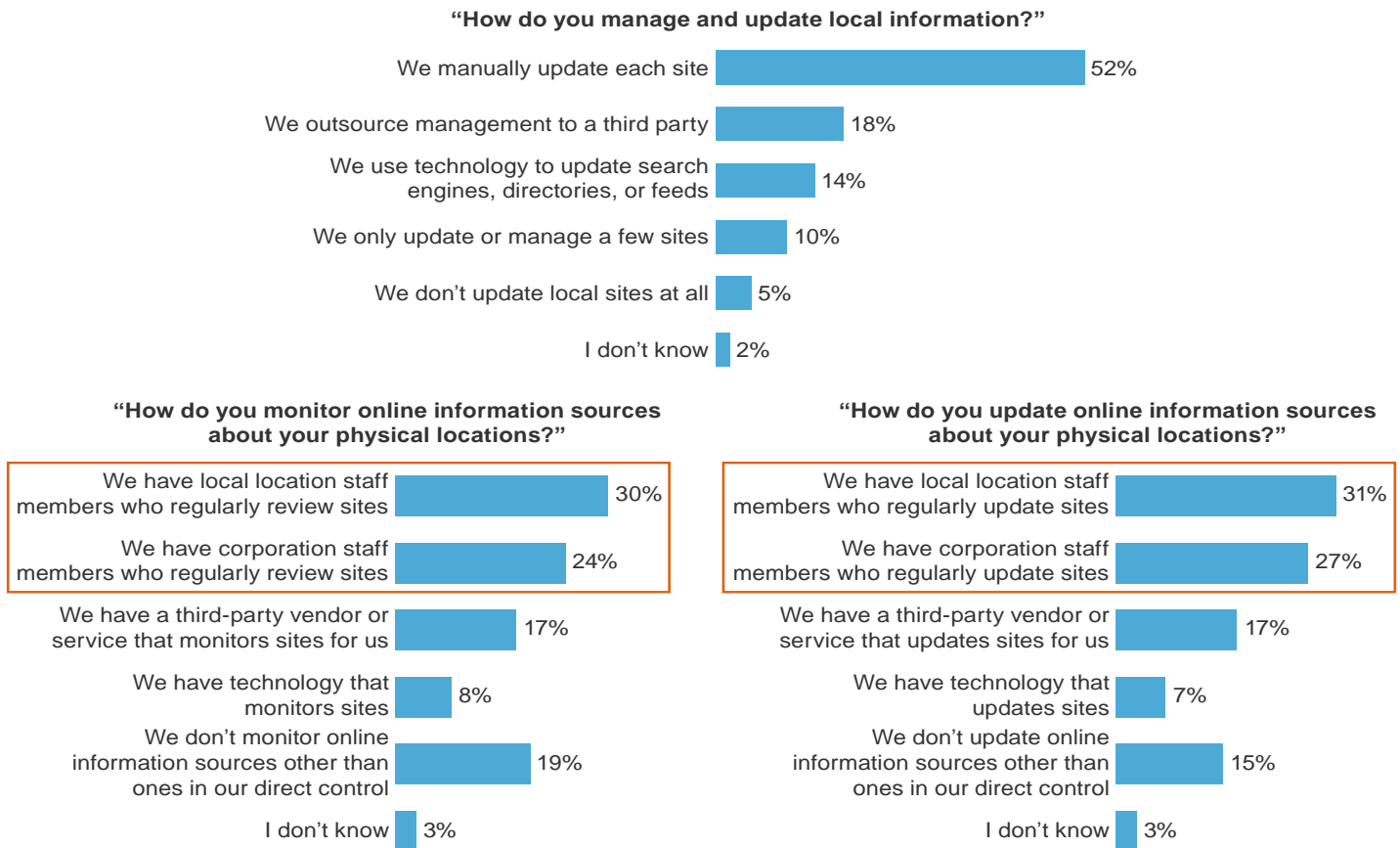
“We know [unbranded search] is the 800-pound gorilla in this game, and we know that doesn’t always, or even often, lead customers to our website. We are always looking for ways to find and correct information that appears on third-party sites. It’s a more than full time job.”

– Head of Brand Operations, Global Hotel Chain

› **Use technology to help with digital location**

management. In this survey, 52% of respondents said they updated local information manually; 54% relied on internal staff to monitor data; and 58% relied on internal staff to update data across the sites they monitored and managed (see Figure 5). This also means a significant

FIGURE 5
Monitoring And Maintaining Local Digital Presence Is Manual And Relies On Internal Staff



Base: 102 marketing professionals responsible for local digital presence
(percentages may not total 100 because of rounding)

Source: A commissioned study conducted by Forrester Consulting on behalf of Yext, April 2015

investment of resources and effort — half of respondents reported devoting significant resources to updating and maintaining the content and accuracy of local information online. This kind of scope and effort is an ideal candidate for automation, which would significantly reduce the time and manual effort of current staff.

Marketers Build A Foundation For The Future With Digital Location Management

Given the importance of digital location management to the majority of respondents in the survey, it is not surprising that they look to technology to help improve accuracy, consistency, and scaling of local digital presence. Seventeen percent reported already having and using a tool, 7% were in the process of implementation, and 37% were in various stages of considering the investment. When we asked respondents about critical features, they said the top four were that updates happen in real time (66%); robust reporting and analytics (64%); having the ability to monitor content, such as reviews, across all online apps/sites (64%); and the having the ability to update once and have the updates populate across all online apps/sites (64%) (see Figure 6). From these responses, it is clear that marketers see

technology as an important tool to get ahead in local marketing.

Marketers are realizing the potential of local initiatives like digital location management, and they are looking at how to use technology to grow their current program and expand its reach and depth. Forrester interviewed six marketing leaders in local marketing for this study, who added the following insights.

MARKETERS MEASURE TO JUSTIFY AND IMPROVE DIGITAL LOCATION MANAGEMENT

One easy way to prove the value of a local marketing program is to measure the return on its investment in both technology and process, from sales gains to cost savings. Marketers know intuitively that local is an important component of online brand presence, but they also know they must justify the spending and allocation of resources.

- › *Two businesses interviewed measured call center traffic before and after implementing technology and services to monitor and manage local information. They found that the cost savings from the decrease in calls looking for the correct information have actually paid for the initial investment. One of the businesses, a large logistics company, found that as a result of an incorrect phone*

FIGURE 6
Critical Features For Digital Location Management Automation

“What do you think would be critical features of an effective local digital presence tool or service?”
(Select all that apply)



Base: 102 marketing professionals responsible for local digital presence

Source: A commissioned study conducted by Forrester Consulting on behalf of Yext, April 2015

listing, one of its maintenance facilities had been answering an average of 10 customer phone calls an hour, taking technicians away from critical repair and maintenance. Once it implemented a technology solution to check accuracy of phone numbers and update third-party sites more quickly than its previous manual system, the calls, customer satisfaction issues, and costs went away.

AN INTEGRATED APPROACH CONNECTS LOCAL TO THE BIGGER MARKETING PICTURE

Just as they recognize the potential for improving their return through increased sales and cost savings, marketers in this study see a bigger opportunity. Organizations interviewed regard digital location management as an important starting point for customer experience. They are analyzing ways it connects to increases in engagement and sales from a central location database.

- › *The head of online brand presence for the logistics company uses site analytics to trace the journey customers take, from searching online to actual in-store visits to more than 2,500 retail locations worldwide. As the company's digital location management has improved, it has seen improved brand awareness at the local level, and "... fewer hotline calls; better search, campaign, and message presence; and more engaged customers as measured by return visits and customer satisfaction surveys." The head of online brand presence also stated that the company's online-to-store connection accounts for 70% of overall revenue, so understanding and enriching the experience is very important.*

ENHANCED LOCAL CONTENT CREATES CONVERSIONS

With the right portfolio of technology and services, companies can easily expand the depth and breadth of information about local locations, offering local customers more options and a potentially richer experience.

- › *The head of global search for an international hotel and resort chain said, "We are always hungry for opportunities to expand our local business listings." His enterprise knows that guests will check local information online for property amenities and activities, as well as local*

attractions and events that add depth and dimension to their stay. The head of content for a national retail chain actively looks to convert online engagement to offline, in-store sales uplift: "We think we are only getting 40% of the total opportunity. . . . It's hard to show directly, but what if we could convert even another 10%? Or more?" Connecting online information with context on local conditions like weather and localizing sales or coupons is one way he is exploring the opportunity.

CONNECT THE CUSTOMER EXPERIENCE, ONLINE AND OFFLINE

One of the top benefits survey respondents saw from a good local digital presence was "better customer experience" (66% of respondents).

- › *The content director of a digital agency, who manages local location information for a number of large national clients, sees huge potential in the contextual nature of local presence. For him, local digital location management provides contextual information that "creates a unique message and engaging experience."*

One interviewee put it simply:

"Customer experience for us today starts online, before someone walks through the front door of one of our locations."

– Head of Online Brand Presence, Global Logistics Company

THINK GLOBALLY, CONNECT LOCALLY

Connecting with local customers has always been a good idea. With consumers driving more local interaction with smartphones, and with heavy competition flooding more visible, established online marketing methods, the time is now to invest in the processes and technologies for digital location management. The large global companies interviewed for this study were clear that no matter how ubiquitous their global brand, succeeding in the local market is critical, and digital location management is a critical tool for them.

Key Recommendations

Organizations that move first to create and leverage rich local information where customers look for it will be able to exploit local marketing opportunities. Automation that enables an integrated, real-time effort will be the key to mastering this complex ecosystem across owned and unowned digital channels. Customers aren't going to wait around for businesses to show up online; they're going to find a competitor that is already there. Forrester's research with marketing professionals responsible for digital location management yielded several important recommendations:

- › **Bridge the gap between marketing and customer experience with an integrated centralized solution.** Where does the online experience end and the offline, in-store experience begin? In the age of the customer, that line is blurring. Marketers must understand that customers are driving the experience and be prepared to serve them information and relevant offers tailored and timed to their needs and wants. This means using an integrated technology solution that can increase accuracy and consistency across multiple endpoints in real time. Accurate, relevant location information sets the stage for a superior customer experience and leads to marketing wins.
- › **Look for local information the way customers do.** It is critical for marketing professionals to understand that customers look for information anywhere, which doesn't necessarily mean within a company's owned digital assets. In order to create great customer experiences, organizations must move out of the comfort zone of the company website and make sure useful, relevant, and timely information exists wherever customers look, and then actively monitor it for reputation management.
- › **Showcase local offerings, but be consistent with global branding.** Each location could have specific advantages or likes or even quirks. Showcasing them can supplement generic brand traffic and feed local ad content as well. But, as always, global brand consistency must also be considered. An integrated digital location management solution helps reduce the complexity of multiple local locations, capture efficiencies, and leverage SEO benefits.
- › **Measure twice, optimize always.** Digital location management is ineffective without analytics. Find ways to measure how local digital presence contributes to overall business goals, how customers engage with your local information, and how those measure trends over time. A key area of opportunity is to understand how online activity converts to in-store experiences and purchases, which requires strong analytics capabilities. Then continue to improve and integrate both the content and accuracy of local digital presence to further enrich contextual marketing opportunities.

Appendix A: Methodology

In this study, Forrester conducted an online survey of 102 marketing professionals responsible for digital location management in their US-based company. The study asked respondents about their current local digital presence efforts, challenges they face, technologies and tools they use, and their plans for the future of local digital presence in their companies. In addition, Forrester interviewed six senior leaders in this area in the US to find illustrative examples and anecdotes and understand the deeper issues and opportunities around local digital presence. The study began in March 2015 and was completed in April 2015.

Appendix B: Supplemental Material

RELATED FORRESTER RESEARCH

“Brief: The Local Marketing Opportunity,” Forrester Research, Inc., April 20, 2015

“The Power Of Customer Context,” Forrester Research, Inc., April 14, 2014

“US Digital Marketing Forecast, 2014 To 2019,” Forrester Research, Inc., November 4, 2014

Appendix C: Endnotes

¹ Source: “US Digital Marketing Forecast, 2014 To 2019,” Forrester Research, Inc., November 4, 2014.

² Source: “Brief: The Local Marketing Opportunity,” Forrester Research, Inc., April 20, 2015.

³ Source: “The Power Of Customer Context,” Forrester Research, Inc., April 14, 2014.

⁴ Source: “US Digital Marketing Forecast, 2014 To 2019,” Forrester Research, Inc., November 4, 2014.

⁵ Source: “The Power Of Customer Context,” Forrester Research, Inc., April 14, 2014.

⁶ Source: “Brief: The Local Marketing Opportunity,” Forrester Research, Inc., April 20, 2015.

⁷ Source: “Brief: The Local Marketing Opportunity,” Forrester Research, Inc., April 20, 2015.

⁸ Source: “The Power Of Customer Context,” Forrester Research, Inc., April 14, 2014.