

The Practical Guide to Using Location Intelligence for Digital Marketing

HOW TO INCREASE CTR AND IMPROVE THE CUSTOMER
EXPERIENCE WITH LOCATION INTELLIGENCE

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Location intelligence is a relatively new term in marketing, but one that's gaining popularity as consumers demand more relevant content and offers. [A recent study](#) found that a majority of marketers strongly agree that location intelligence is key to understanding how and why their customers interact with businesses. Seventy-eight percent said that knowing how customers spend time in the real world will be critical to success in the next year, and eighty-five percent over the next three years. A similar study found that 65 percent of marketers agreed that information about the offline customer journey provides actionable insights into consumer behavior, intent, and brand affinities.

For a relatively new type of data, that paints a compelling picture. Not only has location data become widely used in enterprises in a short period of time, it's continuing to gain traction. In this eBook, we'll explore this trend in relation to one of the most strategic use cases for location data: digital marketing.

We'll take a deeper look at:

- What location intelligence is
- What location data looks like and how it's used
- Business benefits to using location intelligence for digital
- How to use location intelligence in your digital marketing
- Steps for adding location intelligence to your efforts
- Best practices for increasing CTR and ROI of your campaigns

What is Location Intelligence?

Broadly defined, *location intelligence is a type of business intelligence based on the places people go in the real world. This information is gathered from opted-in consumer mobile devices. This data includes information about the device, the commercial locations the device visited, and how long the device stayed in each location (known as dwell time).*

Location intelligence can be used for many purposes, including:

- Digital marketing, including ad targeting
- Customer insights
- Competitive intelligence
- Market research
- Foot traffic analytics

Of these, ad targeting is the most common, and one of the easiest ways to start using location data. Applications for location intelligence and the information it provides in digital marketing are varied, ranging from enhancing buyer segmentation with location-based insights, to informing content strategy, to personalized messaging and offers throughout the customer experience. Each use case has the potential to increase ROI and customer lifetime value (CLV) and drive powerful results for business.

What is Raw Location Data?

Raw location data is collected when mobile users use location-enabled apps on their mobile phones. Depending on the source, location data includes different pieces of information, but you'll most commonly find data such as:

- Mobile advertising ID (MAID)
- Latitude and longitude information
- Timestamp

Location data is only gathered from mobile users who have consented to sharing their location information. We take consumer privacy seriously, and ensure that 100% of our data complies with all local, regional, and national privacy laws.

However, raw location data often contains misinformation and lacks the context businesses need to use it successfully. The best location data has been cleansed, enriched, and analyzed to become location intelligence.

CLEANSING LOCATION DATA

Raw location data must be filtered and cleansed to eliminate duplicate, inaccurate, and fraudulent information. The biggest challenge faced by organizations analyzing location data is extracting, cleaning, and transforming data into a useful format.

ENRICHING LOCATION DATA

Data enrichment improves, refines, and enhances location data for more meaningful insights. Location data may show where consumers are on a specific date and time, but knowing the places where consumers are at and what is happening while they are there provides a deeper understanding of their interests and preferences.

Consider this scenario: raw location data tells you that one of your customers was at latitude 40.750298 and longitude -73.99324. Enriched location data can tell you that the person went to Madison Square Garden and from that, you can infer that your customer is interested in entertainment. If you also know that Madison Square Garden was hosting P!nk at the time your customer was there, that changes the story. Your customer is likely more interested in music — specifically, pop music — than they are entertainment in general. If a New York Knicks game is happening at the time, the picture that analysis of data gives would be quite different. Data enrichment is key to using location data to better understand your customer.



ANALYZING LOCATION INTELLIGENCE

After data is gathered from different sources, cleansed, combined, and enriched, it is analyzed to provide actionable insights. To have business value, data analysis must be aligned with corporate objectives, and relevant and specific to your business needs. Most businesses choose to analyze location intelligence on their own, but there are some providers that both provide the data and analyze it for insights.

Benefits of Using Location Intelligence in Digital Marketing

Location intelligence has several applications in the digital marketing sphere that leading brands are now using to their advantage.

The direct-to-consumer meal preparation company, Terra's Kitchen, used location intelligence to discover more information about its most valuable customers and to find new prospects similar to them. Location data helped the company identify the affinities of its best customers, who were discovered to be health-conscious and engaged in major home improvement projects. Terra's Kitchen was then able to build a custom audience based on these attributes for use in its marketing and advertising campaigns, reducing customer churn and improving customer lifetime value (LTV). At the same time, these insights allowed Terra's Kitchen to validate some of its future product plans.

Below are three use cases for location intelligence in digital marketing:

1. LOCATION INTELLIGENCE CAN DELIVER DETAILED, ACCURATE PERSONAS.

Location intelligence provides real-world information on the top customers for different businesses. It provides insights into what customers are interested in, allowing marketing

and advertising professionals to build and use buyer personas that help them improve offers and messaging.

For example, a grocery store chain could gather location intelligence about its best customers, discovering the patterns of where they go in the real world. If they find that many of their customers frequently visit wineries and attend wine tastings, they could classify those consumers as "Wine Lovers" and create highly-relevant in-store ads focused on wine to continue to draw in this specific group of customers.



2. LOCATION INTELLIGENCE CAN DETERMINE YOUR CONTENT STRATEGY.

As with the buyer personas, location intelligence can help businesses determine the interests and behavior of their most valuable customers. If there are specific characteristics that are common to top customers, such as the interest in wine noted in the example above, businesses can use this information to create online content and offers specific to

those interests. Doing so lets the business build a content portfolio that engages both high-value prospects and current customers, improving conversion rates and keeping buyers engaged with the brand over time.

3. LOCATION INTELLIGENCE CAN IMPROVE THE TOTAL CUSTOMER EXPERIENCE.

Location intelligence isn't limited to just new customer acquisition. Companies can also use location intelligence to understand and engage with their customers throughout the customer journey. Knowing customers' interests, values and habits enables relevant and timely offers to be created throughout the customer relationship. This data can be used to power engagement and retention campaigns, to choose the right event sponsorships, to design a loyalty program, or to inform new product or service offerings.

Business Advantages of Using Location Intelligence for Digital Marketing

Large enterprises have been using location intelligence to improve their customer personas and advertising campaigns for years. The most savvy organizations use this information to understand buyer personas and improve their digital marketing efforts throughout the entire customer lifecycle.

1. ENHANCE CUSTOMER DATA AND SEGMENTATION

Rich customer data is essential for tailoring offers and messaging throughout the customer journey. With location intelligence, companies can easily understand the real-world activities and interests of their current customer base. For example, a clothing retailer could conduct an analysis of its current customers to learn that its primary customer personas include "Athletes", "New/Expectant Parents" and "Business Travelers". This retailer could then design relevant offers for each group based on their interests, for example, email marketing outreach promoting exercise clothes, maternity and baby wear, or travel-friendly workwear.

That same clothing retailer could also use an advertising audience of people who visited gyms, baby gear stores, or

hotels and airports (during the work week) since location intelligence has shown that people who exhibit these behaviors are also frequently customers of the store. By using advertising audiences with complementary interests, the retailer could reach more of their target audience and acquire new customers.

2. HIGHER CLICK-THROUGH-RATES (CTR) AND ROI

Using location intelligence, companies can learn more about customer interests, activities, and habits, which can then help create detailed personas for sales, marketing, and customer service. When this data is used within a customer relationship management (CRM) system, those personas help each team provide highly relevant communications to customers and prospects. That means companies can use location intelligence to guide content creation, to tailor email messages, to uncover affiliate marketing opportunities and more.



Using accurate personas to improve content and communications throughout the customer journey creates a better customer experience and can greatly improve your business results. Advertisements and offers that are highly relevant perform better, improving both CTR and ROI of marketing campaigns. We've seen companies achieve a 250 percent increase in CTR for campaigns just by using location intelligence to improve their messaging and provide more personalized offers to customers.

3. BETTER CUSTOMER RELATIONSHIPS AND HIGHER CLV

Because location intelligence is based on real-world consumer activity, it can help businesses understand and connect with their customers in new and meaningful ways. Done well, this information can be used to predict customer interests and to stay one step ahead of the competition. Use location intelligence to uncover emerging trends and, in turn, inform new products or services that keep customers engaged with your brand.

By connecting your digital marketing campaigns to changes in customer behavior and buyer personas, you can design offers that work and avoid ones that don't, giving you the insight to make better business decisions and increase revenue and customer lifetime value (CLV) in the future.

How to Use Personas in Your Digital Marketing Campaigns

The first step to using location intelligence in digital marketing campaigns is understanding your buyer personas. Personas built on location intelligence reflect consumers' real-world behavior.

We have over 350 consumer personas to help brands understand consumer interests and buying behavior. We've released personas based on:

- Brand loyalty, such as consumers who regularly shop at stores like Best Buy, Old Navy, or Whole Foods.
- Interests, including consumers who are wine lovers, regular gym-goers, or concert fans.
- Behaviors, including consumers who regularly visit specific commercial areas or have defined routines.

Personas contain everything businesses need to accurately segment their customers into target groups and to reach the right persona with each of their campaigns. If the persona doesn't fit with the marketing campaign's objectives, you risk miscommunicating with your customers, resulting in lower engagement, reduced clicks, and a poor ROI.

DISCOVERING YOUR BUYER PERSONAS

Most digital marketing campaigns will be built around your buyer personas. To use persona data for your customers, follow these four steps:

1. Build personas for your current customers.

It is critical to begin by understanding the buyer personas of your current customers. Using location intelligence, you can identify which of your current customers:

- Are in-market for a good or service
- Visit specific places or events
- Have certain interests or hobbies
- Fit a detailed behavioral profile

2. Lay out your campaign strategy.

What is the objective of your digital marketing program?

Brand awareness? Driving sales of a newly launched product? Encouraging signups for a free software trial?

Determine what your business objectives are and establish key performance indicators (KPIs) that will both help to guide your next steps and measure campaign success later on.

3. Choose your target personas.

Once you've outlined your campaign strategy, think about the buyer personas you'll need to reach. Do you need to connect with new parents, or parents of teenage children? Do you want to reach business travelers or small business owners? Perhaps you want to reach consumers based on interest, such as people who live a healthy lifestyle?

You'll likely have hundreds of attributes to choose from in your customer database, so it's important to know the type of customer you're trying to reach before starting any work on ad copy and creative.

4. Develop your messaging.

Once you've decided on your target personas, then work on ad creative and messaging can commence. Consider each of your target personas carefully, and make sure that your graphics and messaging speaks to their unique interests and values. A generic message is unlikely to perform well, so take the time needed to make your message resonate. Every target persona should receive an offer tailored to their specific interests or needs, and with a clear and specific call-to-action. It's also a best practice to create and test multiple versions of both creative and messaging, so that you can truly optimize campaign performance.

HOW TO ADD LOCATION INTELLIGENCE TO YOUR DIGITAL MARKETING CAMPAIGNS

Creating your campaign strategy, choosing personas, and crafting your messages are the most difficult part of creating digital marketing campaigns with location intelligence. After you've nailed down these aspects, it's time to choose your marketing tactics and set up your campaigns, as usual.

Each digital marketing channel is subject to its own rules and limitations, so you may need to adjust your messaging or creative slightly to fit space and design constraints.

For example, paid search campaigns are limited in text and images, while email campaigns can contain paragraphs of text with multiple links and images.

Popular digital marketing channels include:

- Website/blog
- Social media
- Search
- Online & mobile video
- Online & mobile display
- Email
- Digital OOH
- Fit a detailed behavioral profile

Some digital marketing channels will be better suited to your offer (and target personas) than others. Not all channels will perform equally well, but if you make it a habit to test and optimize each, you can maximize your chances of success while minimizing risk.

Best Practices for Increasing CTR and ROI

Location intelligence can increase the CTR and ROI of digital marketing campaigns because it allows companies to create personalized communications and deliver them to customers they know will be interested in those offers.

Location intelligence campaigns regularly outperform untargeted, mass marketing campaigns, and even digital campaigns based on online behavior because they're based on real-world actions. Consider how many websites your audience visits in a day. Are they interested in every website? Probably not. But if your audience makes the effort to physically travel to a location and spend time there, they're displaying a much higher level of interest.

However, there are still several techniques you can use to improve your campaign's CTR and ROI beyond simply using location intelligence. [Depending on industry](#), a company's average click-through rate (CTR) may range anywhere from 1.5 – 3.5 percent. However, a higher CTR offers many benefits to an organization, such as increased conversions, sales, and overall revenues.

Improving your CTR means that your marketing efforts are working and your business is more likely to see a higher ROI from your digital marketing campaign. The right information is being disseminated to the right audience, at the right

time, to get the customer to interact with the business and make a purchase.

TIP #1. FOCUS ON THE ACCURACY OF YOUR CUSTOMER DATA AND SEGMENTATION MODELS.

[A recent study](#) found that 84 percent of CMOs worldwide believe that data collection, management and analytics that drive real consumer insight are important to future business success.

To improve campaign performance, don't just target your campaign, personalize it. To do that, you could work with a location intelligence provider to create custom personas, or even break your campaign down into even more precise segments.

TIP #2. TEST MULTIPLE CHANNELS.

Even with personalized offers, it's unlikely that every campaign will be a resounding success right away. Always test multiple offers with different creative, copy and messaging that speaks to your audience's pain points and the value they'll receive from your business. By testing different versions of your offers in a variety of marketing channels, you can see what resonates with buyers and what doesn't.

TIP #3. OPTIMIZE REGULARLY.

Don't just create your campaigns and let them sit. Monitor closely and iterate on designs, copy, and offers based on performance. For example, if your content marketing campaign isn't performing well after two weeks, pause it and take a deeper look into the metrics. Is your entire campaign underperforming, or is it just one blog post? Pull out what's working and what isn't, then tweak your mix to make it more successful.

Keep in mind that digital marketing also depends on the performance of your website. Take the steps needed to make your website responsive, so that all consumers visiting your website have a great experience regardless of the device they're using. Creating a seamless, engaging web experience can help digital campaign performance and improve conversions even further.

TIP #4. CONNECT DIGITAL MARKETING CAMPAIGNS TO FOOT TRAFFIC AND SALES.

This is less about increasing CTR and more about providing measurable, concrete results to your boss and business leaders.

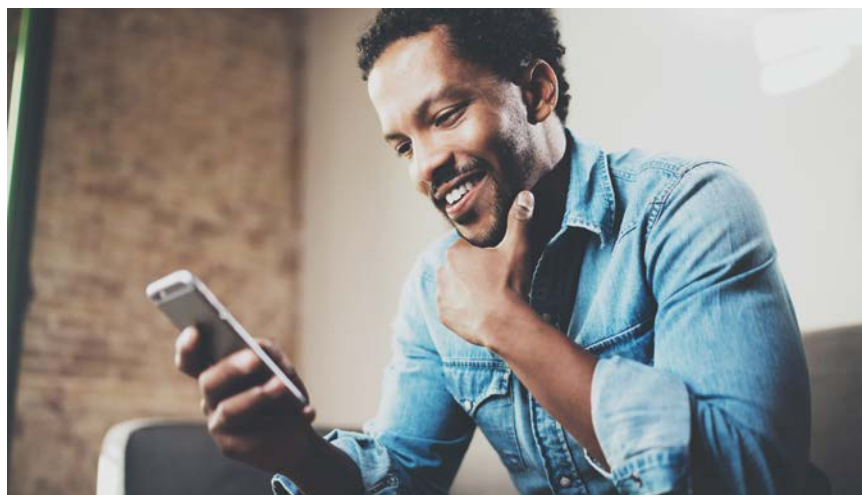
Since foot traffic is a critical component used to understand the real-world behavior of consumers, businesses can use location intelligence to quantify the effect of their digital marketing efforts on in-store visits. The ability to accurately attribute customer behaviors to real-world activities gives

marketing a competitive advantage with a quantifiable measure of campaign effectiveness. Location intelligence helps a company with omnichannel attribution by connecting consumer behaviors online and offline, allowing you to understand if the users who received your messages and offers visited a store location. Companies can then evaluate foot traffic before, during, and after advertising campaigns to see how effective the campaign was.

Context is King to Using Location Intelligence for Digital Marketing

The perceived business value of location intelligence has increased steadily over the last several years, with 58 percent of respondents to [a recent survey](#) stating that LI is 'critical' or 'very important' to business success in 2019. That number will continue to increase over time as location intelligence becomes more common and consumers continue to demand more relevant content and messaging.

To effectively use location intelligence for digital marketing, it's imperative that businesses obtain data from location intelligence providers that use a cleansing and contextualization process, as well as create highly specialized personas for campaign outreach. Verified information about the places your customers are going, why they're going there, and what they do in that location is key to creating successful marketing campaigns.



Follow the steps and advice listed in this eBook to get started, but when in doubt, contact your location intelligence provider. Their experts will be able to guide you through the process of getting started with using location-based personas for your marketing campaigns as well as help you level up your location intelligence use if your business is ready for more.

ABOUT GRAVY ANALYTICS

Gravy Analytics is the leading provider of real-world location intelligence for marketers. Our patented AdmitOne engine verifies consumer attendances at millions of places, points-of-interest and local events, providing unprecedented visibility into the offline consumer journey. Gravy Analytics processes billions of pseudonymous mobile location signals every day to create its industry-leading and privacy-friendly data services, insights, and audiences. From ad targeting to customer relationship management, competitive intelligence to sponsorship selection, Gravy Analytics enables better business decisions with big data that reveals where people go in the physical world. Where we go is who we are. For more information, visit us at gravyanalytics.com.



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