

COLUMNS

## 6 geofencing tips for retailers to deliver targeted advertising

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By AN AMERICAN MARKETER COLUMNIST

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Mobile consumers have integrated location-based services into their daily lives, with double-digit growth expected through 2016 by eMarketer.

But consumers are interested in more than check-ins and likes. Recent studies show they are increasingly open to receiving special offers and other mobile alerts based on their geographic location.

Enter geofencing, a technology with tremendous potential for retailers.

Off the fence

A geofence is a virtual perimeter around a physical space such as retail location or a bus stop.

Marketers are able to send text or push notifications on an opt-in basis to mobile devices that enter or leave the defined area.

Geofencing is gaining traction with retailers as a powerful way to deliver highly targeted advertising.

A number of major brands are already experimenting with geofencing to market their products.

Considering a geofencing campaign? There is more to it than simply marking a territory and waiting for customers to walk by.

Here are top tips for a successful campaign:

Follow the customer. Build your geofences where your customers are, not where you want them to be.

Consider locations other than your store, such as airports or sporting events.

Understanding customer behavior can greatly improve the effectiveness of your efforts.

Bigger may not be better. A geofence can be any size or shape, but larger geofences are not necessarily better.

As a rule of thumb, the perimeter should be within five minutes of travel time from the target location. Anything longer than that reduces the relevancy of local messaging.

Action is key. If your message is just an ad, you will not get the desired customer behavior.

Your message must be a brief, location-relevant call to action, and it must be important enough to engage the

targeted user.

Timing is everything. Sending a retail store offer to nearby consumers during off-business hours does not make sense, but remember, your online store never closes.

So time is a crucial factor in deciding the target audience with mobile geofencing campaign.

Be transparent. Mobile marketing through GPS tracking can be annoying and unpleasant for consumers.

To alleviate any negative associations, let them know what to expect when they download and interact with your brand through the geofencing app.

Be relevant. It is not enough to just send out any message to targeted consumers based on location.

Make your message relevant by using other targeting parameters such as weather conditions and other breaking news, and dynamically update your content based on these attributes.

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