

COLUMNS

Location-based advertising bridges online and physical retail

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By **Kamal Kaur**

The most frenzied shopping season is past us, with the biggest challenge for brands being the conversion of online traffic to bricks-and-mortar store traffic.

Since consumers carry their mobile devices with them constantly, using location-based data to retarget people on mobile is essential in unifying the shopping experience.

Mind the gap

While desktop advertising continues to account for the bulk of digital advertising revenues, the future of mobile advertising depends on creating intelligent cross-platform campaigns that can track performance across mobile and desktop to fuel holistic campaigns that are optimized for the mediums in which they are served.

This year, digital advertising is expected to grow 25 percent, with mobile advertising on target to treble current ad spend.

EMarketer estimates that mobile ad spending will spike from \$8.4 billion in 2012 to \$37 billion in 2016.

But for the marketing community which is presently flooded with optimistic predictions to continue investing in the mobile medium, the return on this investment needs to focus on bridging the gap between mobile and desktop advertising.

Google CEO Larry Page recently announced a landmark achievement in Android activations, reaching 750 million subscribers. The iPhone alone stands at approximately 400 million activations.

Together, both device models represent more than 1 billion connected devices that are now producing data which can be used intelligently for advertising campaigns.

How geo-location changes the game

Mobile as a platform has inherent advantages such as geo-location capabilities that can offer advertisers valuable insight into shopping habits and consumer behavior, data that can be used to fuel future campaigns.

With mobile, advertisers can access data from people as they traverse the globe checking into locations, uploading photos on Facebook, and launching applications on-the-go with geo-location features.

When coupled with programmatic advertising, these activities provide data points that advertisers can use to effectively target consumers across all devices they use on a daily basis.

Mobile push notification services can offer highly personalized and hyper-targeted mobile push notification software in the cloud that boosts engagement and customer retention, allowing each message to become audience

segments for future campaigns.

In real-time, marketers can engage consumers on mobile channels before, during and after in-store activity to drive branded offer redemption and serve the most relevant ads against target audiences in a particular geographical area.

For example, with the help of geo-location functionality embedded in mobile devices and apps, brands will soon be able to see when someone launches the app from two different cities within the same week.

If this happens frequently enough, ad networks could use this as inferred data and segment these individuals in the "business segment" and begin to deliver ads catered to this inferred behavior.

If networks are able to access all of the historical places a potential customer has traveled, imagine how powerful this type of information would be to travel companies such as Kayak, Expedia, Hotels.com, as well as airlines and hotels.

Through the use of mobile geo data, these companies can understand a person's travel habits and offer deals that correspond more closely to their interests.

Revvig up

Automotive is another channel for which mobile geo-location data is a game-changer.

When a potential buyer visits the auto dealership, this is as precise of an intent data we can get. Mobile geo-location of a user, physically at a dealership, lets us isolate the user in the lower purchase funnel.

GEO-LOCATION-BASED advertising is here, and with Apple's new iBeacon functionality built into iOS7, stores will be able to send personalized mobile offers and coupons directly to people who walk through their doors.

Shopping will be forever changed, and brands had better be ready to capitalize on the rise of mobile marketing to drive in-store sales.

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