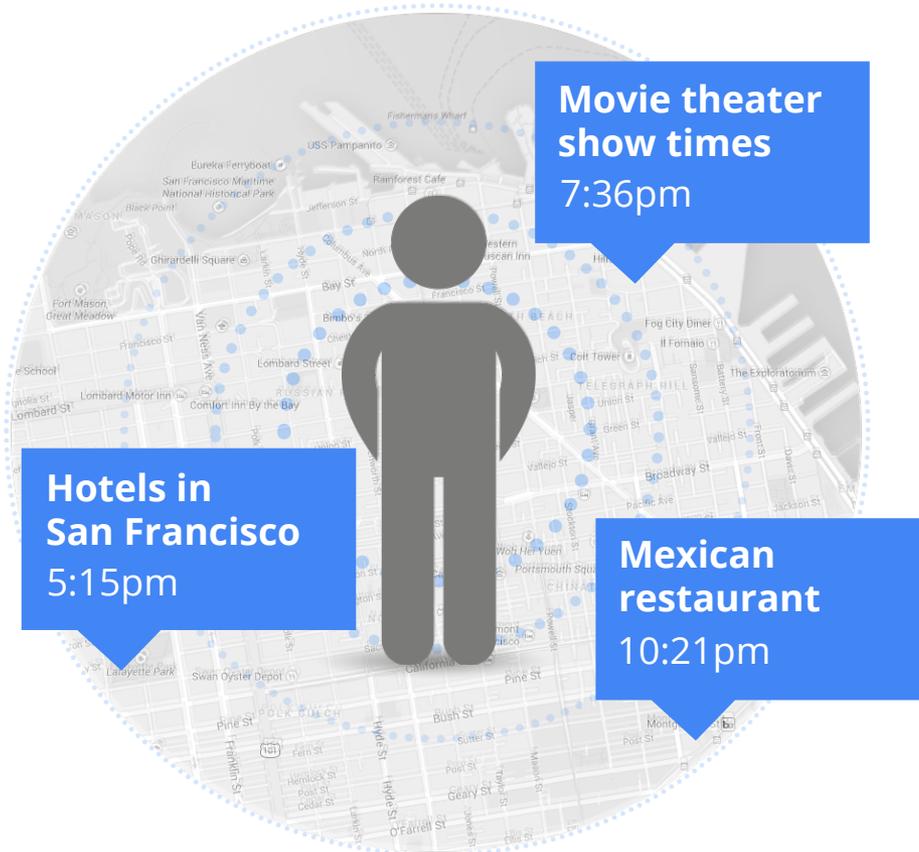




Understanding Consumers' Local Search Behavior

May 2014

WHAT WE WANTED TO LEARN



Every day, people search for things nearby by conducting **local searches**. These are searches aimed at finding things near where they happen to be. This may include finding directions to a local store/business, checking local store hours, or searching for local stores that have a product in stock.

We wanted to understand this local search behavior. Is it prominent? What information do consumers search for when they want to find things nearby? And, what potential does it hold for advertisers?

To answer these questions, Google commissioned two custom research studies to look at local search behavior across devices. This deck highlights the research findings.

BACKGROUND & METHODOLOGY

Background

Google partnered with Ipsos MediaCT and Purchased® on two custom studies to uncover consumers' local search behavior across smartphone and computer/tablet.

This study explored consumers' local search behavior in 9 verticals: Auto, CPG, Finance, Local Services, Media & Entertainment, Restaurant, Retail, Tech and Travel.



Ipsos MediaCT

Ipsos MediaCT is the market research division within Ipsos that specializes in reaching, engaging and more effectively understanding today's digitally- driven consumer in the fast moving media, content and technology space.



Purchased

Purchased® provides consumer brands and retailers with shopper plans, behaviors and purchases where they happen, when they happen. Using its Shopalong® shopper panel, Purchased captures this data in real-time via mobile, allowing businesses to gain a complete and accurate picture of the purchase decisions consumers make, and why they make them.

Methodology

All participants were: 18+, conduct smartphone searches at least a few times a week.

Ipsos Online Survey

4,500 respondents completed one of nine vertical specific online surveys from Jan 10-22, 2014 (n=500 per vertical). Additional Ipsos criteria: bought in at least one of the nine verticals in the last 6 months, used search engines as a source of information for at least one of the nine verticals.

Purchased Shopper Smartphone Diary

653 respondents logged their smartphone search and in-store activities via the Shopalong app for seven days within Dec 18, 2013-Jan 30, 2014. In total, **3,431** smartphone searches and **2,262** store visits were logged and analyzed. Additional Purchased criteria: plan to buy in 2+ verticals in-store or online.

EXECUTIVE SUMMARY



Consumers search with their location and proximity in mind

- 4 in 5 consumers use search engines to find local information.
- They search on smartphone and computer/tablet for: store address, business hours, product availability and directions.



Local searchers take action

- 50% of consumers who conducted a local search on their smartphone visited a store within a day, and 34% who searched on computer/tablet did the same.
- Local searches lead to more purchases than non-local searches. 18% of local searches on smartphone lead to a purchase within a day vs. 7% of non-local searches.



Consumers prefer and act on location-based ads

- 4 in 5 consumers want ads customized to their city, zip code or immediate surroundings.
- More than 60% of consumers have used location information in ads. They say it's important to have store address and phone number in ads on computer/tablet, and directions and the call button in ads on smartphone.

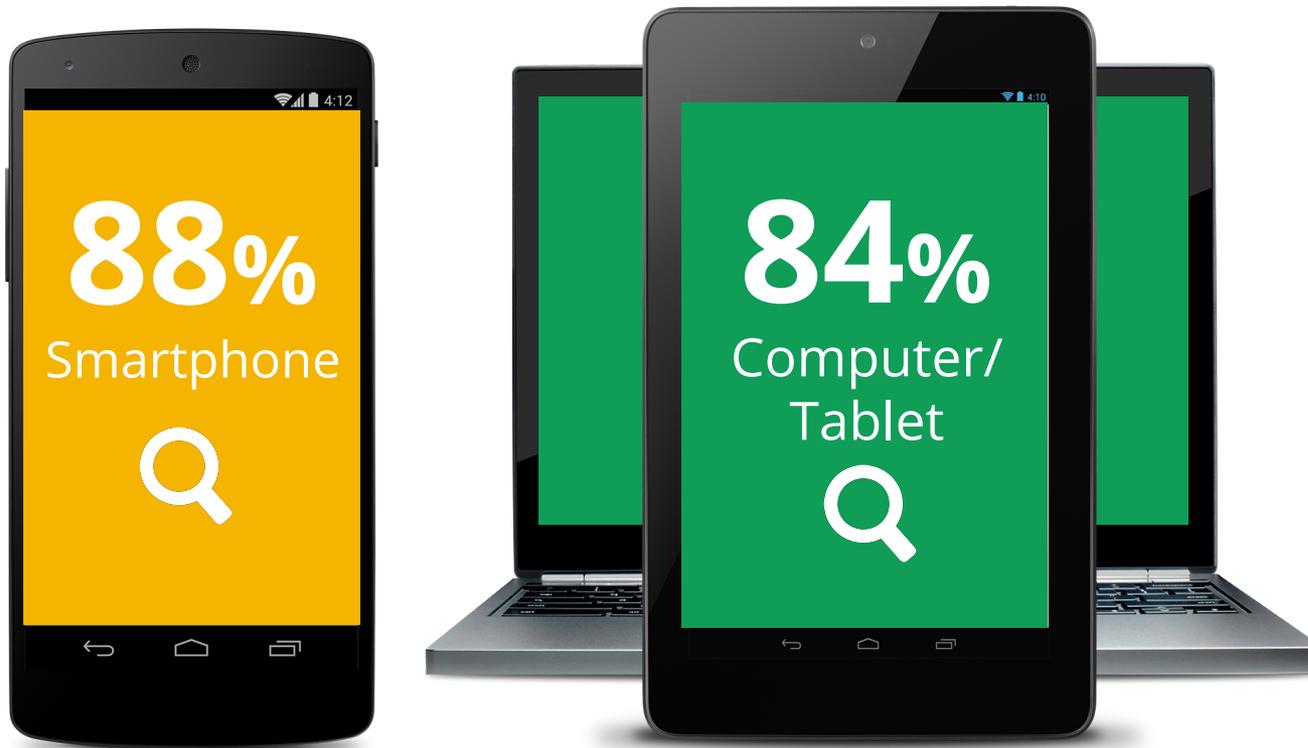
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THE PROMINENCE OF LOCAL SEARCH

CONSUMERS SEARCH WITH LOCAL INTENT ACROSS DEVICES

4 in 5 consumers conduct local searches on search engines. They search on:



CONSUMERS SEARCH FOR A VARIETY OF LOCAL INFORMATION



SMARTPHONE



Business hours



Directions to local store



Local store address



COMPUTER/TABLET



Availability of product at local store



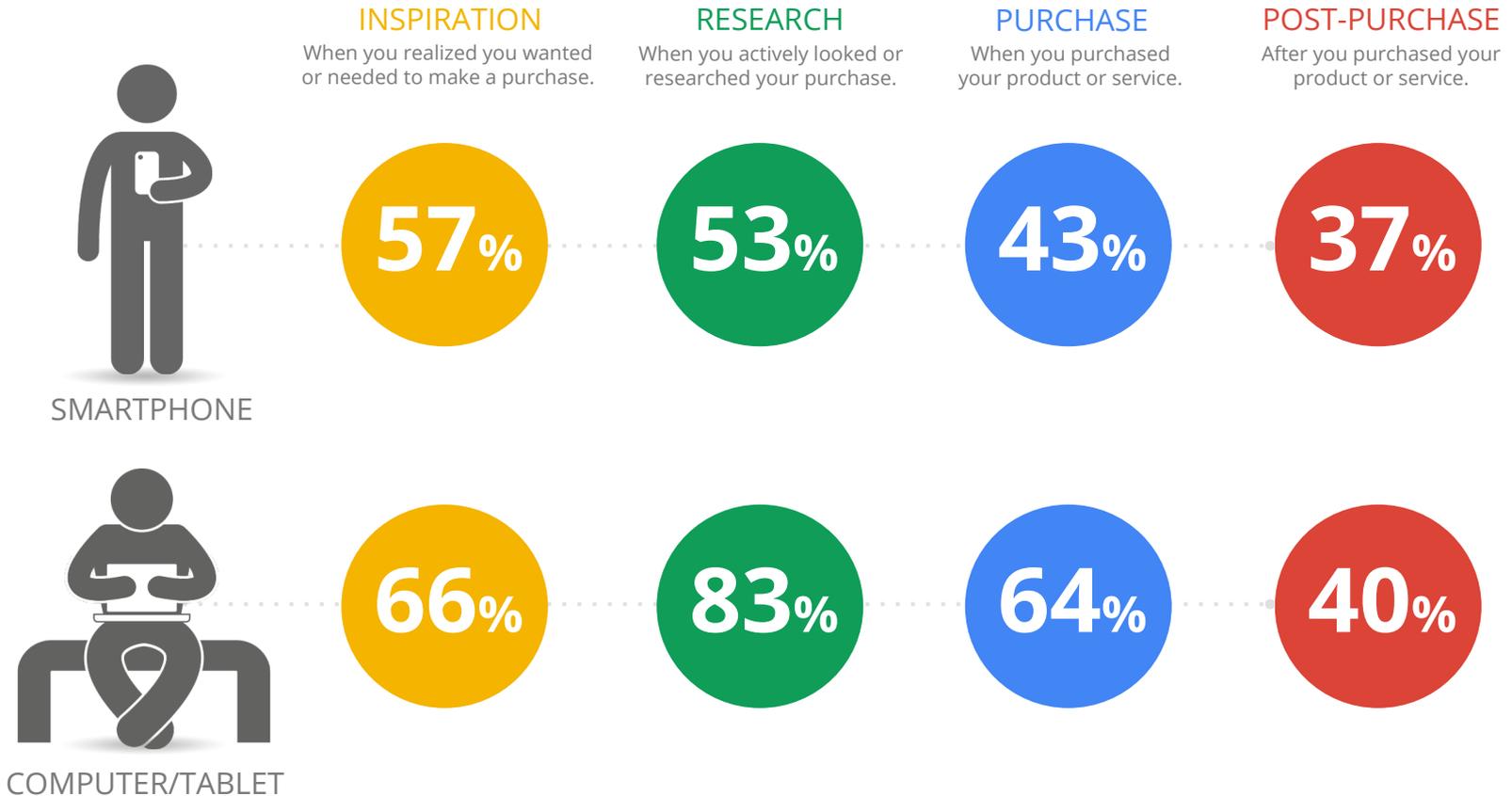
Business hours



Local store address

Base: Used device to search for information on most recent vertical purchase (n=115-233 for smartphone, n=333-437 for computer/tablet).
Google/Ipsos Survey Q8. What type(s) of information did you search for on your device(s) using search engines?
Select all that apply for each device.

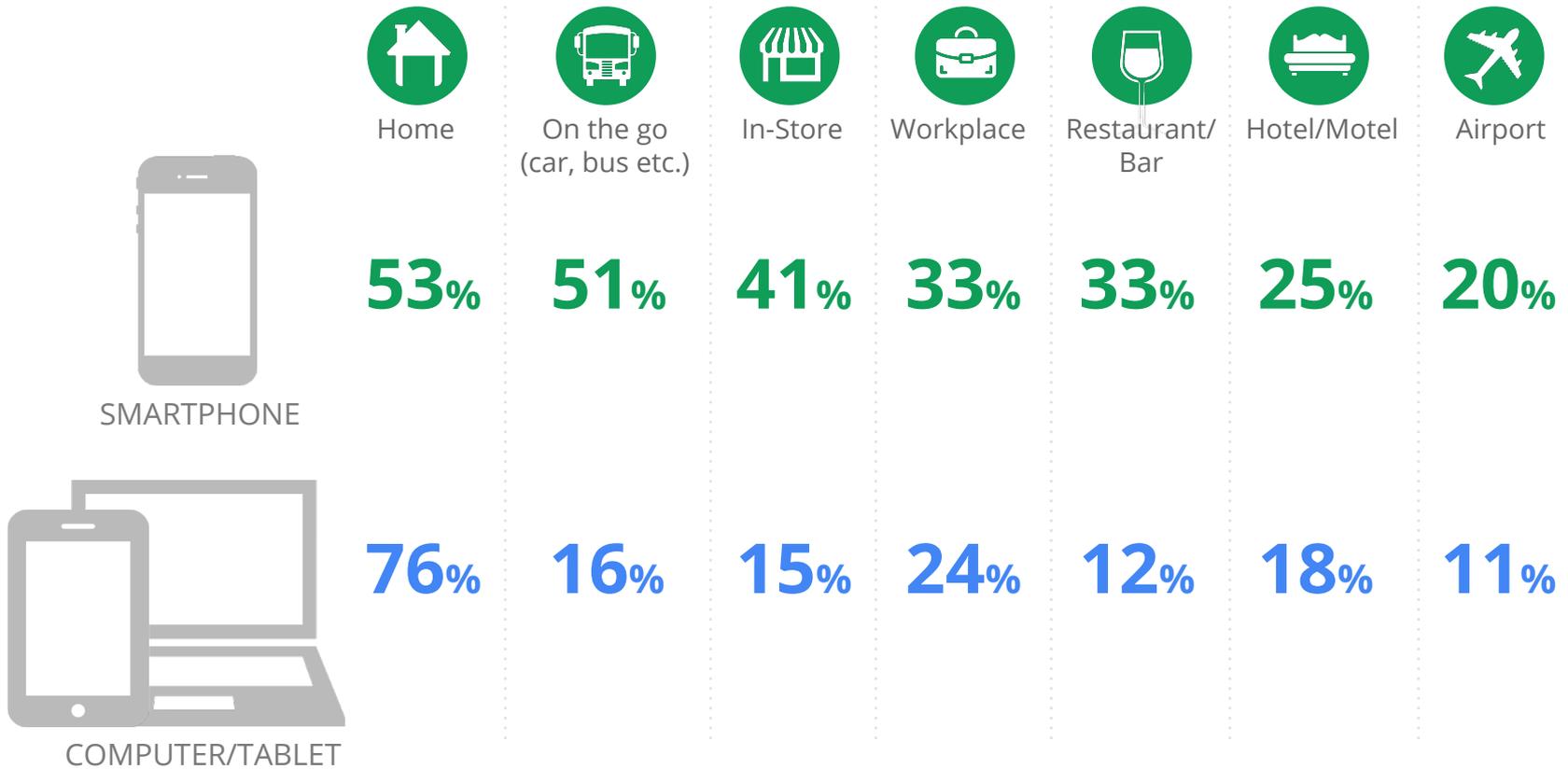
CONSUMERS SEARCH FOR LOCAL INFORMATION THROUGHOUT THE PURCHASE PROCESS



Base: Used device for local searches on most recent vertical purchase (n=94-214 for smartphone, n=289-378 for computer/tablet)
 Google/Ipsos Survey Q10. Which device(s), if any, did you use to conduct local searches for your most recent [sub-vertical] [purchase / -related activity] during each of the following phases? Please select all that apply for each phase.

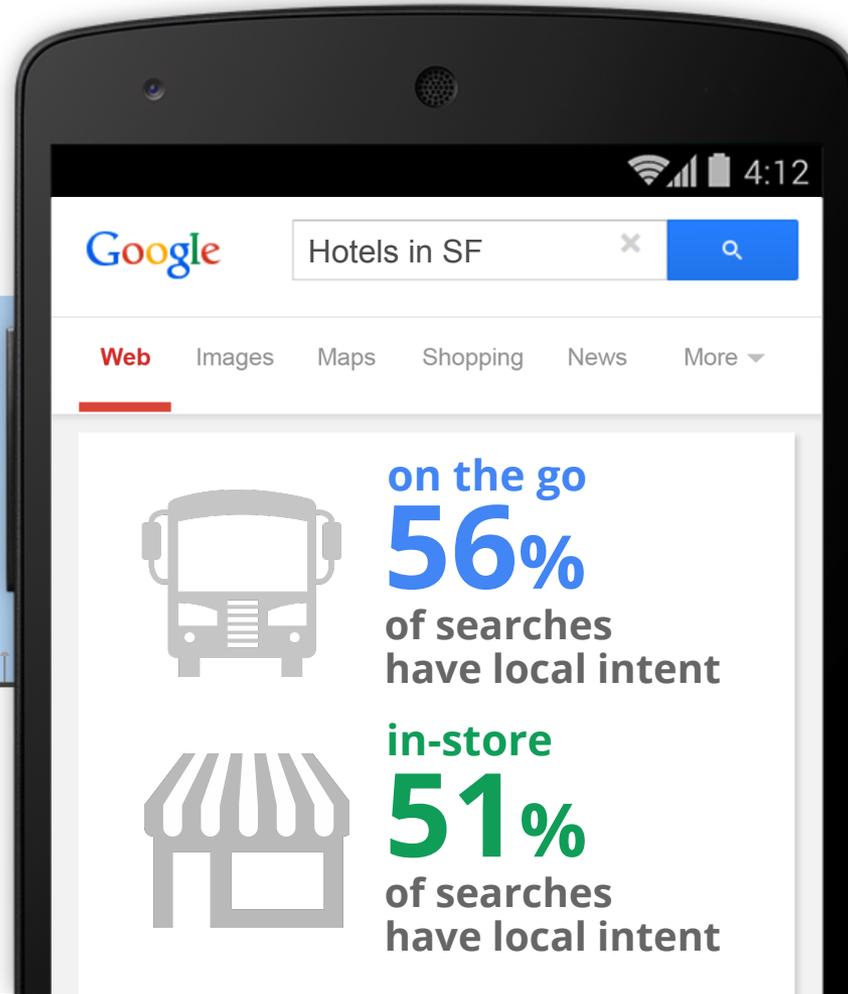
CONSUMERS SEARCH FOR LOCAL INFORMATION IN A VARIETY OF PLACES

% of consumers who search for local information at:



Base: Used device for local searches on most recent vertical purchase (n=94-214 for smartphone, n=289-378 for computer/tablet)
 Google/Ipsos Survey Q13. Where were you when you conducted local searches (e.g., directions, local address, business hours, product availability) related to your [sub-vertical] [purchase / -related activity] on your device(s)? Please select all that apply for each device.
 Additional places where consumers search for local information: school/college, someone else's home, gym/health club, community/religious center, other.

WHEN ON THE GO OR IN-STORES, A MAJORITY OF SMARTPHONE SEARCHES HAVE LOCAL INTENT



Base: n=293 on the go smartphone searches and n=95 in-store smartphone searches. Google/Purchased Diary Q1. Where were you when you conducted the search?; Q2. Was this a local search?

What we learned

Consumers are searching for local information everywhere, on every device, at every point in the purchase process.

Advertiser implications

You should make sure your product availability, address and directions appear in your ads across smartphone and computer/tablet. And ensure your locations are in Google Places.

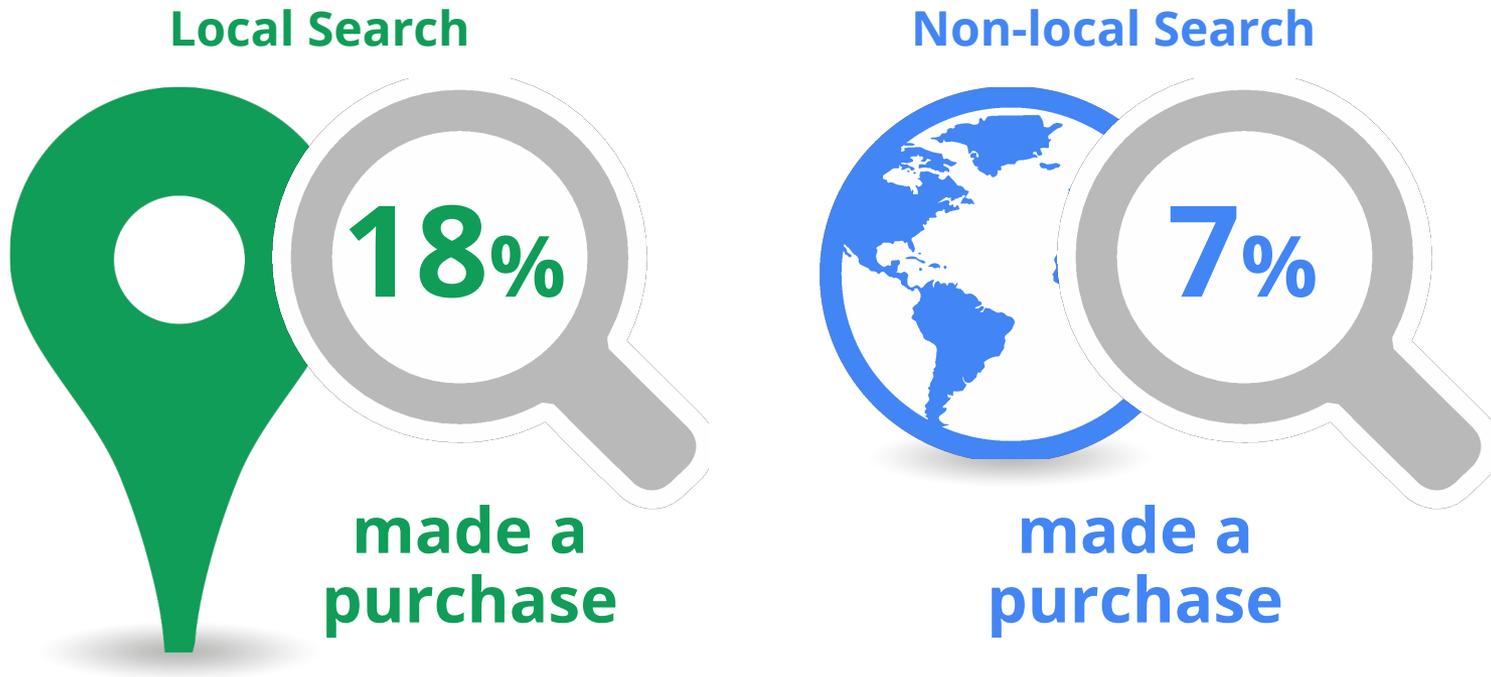


A red callout box with a white border and a shadow, containing the text 'CONSUMERS' LOCAL SEARCH BEHAVIOR'.

CONSUMERS' LOCAL SEARCH BEHAVIOR

CONSUMERS PURCHASE AT A HIGHER RATE AFTER LOCAL SEARCH

18% of local smartphone searches led to a purchase within a day compared to 7% of non-local searches



CONSUMERS ACT QUICKLY AFTER THEIR LOCAL SEARCH

% of consumers who visit a store within a day of their local search:

Smartphone

50%



Computer/Tablet

34%



Consumer behavior before visiting store and while in-store:

1 in 3

searches on smartphone occur right before consumers visit a store



15%

of in-store activities involve conducting smartphone searches about a product or for price comparison



Base: Used device for local searches on most recent vertical purchase (n=94-214 for smartphone, n=289-378 for computer/tablet). Google/Ipsos Survey Q15. How soon after conducting a local search on your device(s) for information on your most recent [sub-vertical] [purchase / -related activity] did you visit a related store or business? Please select one for each device.

Base: n=216 smartphone searches related to in-store purchase; n=1,399 in-store visits. Google/Purchased Diary Del. Elab Q2: It looks like you conducted a web search on your smartphone related to this purchase decision. When did you conduct the most recent search? Inst. Elab Q1: What did you do while you were at [store]? Select all that apply.

CONSUMERS CAN BE INFLUENCED TO PURCHASE IN-STORE KNOWING A STORE IS NEARBY

Consumers would buy *in-store* instead of online knowing they:



Are close to a store

30%



Can get the product quickly

35%



Get better pricing

31%

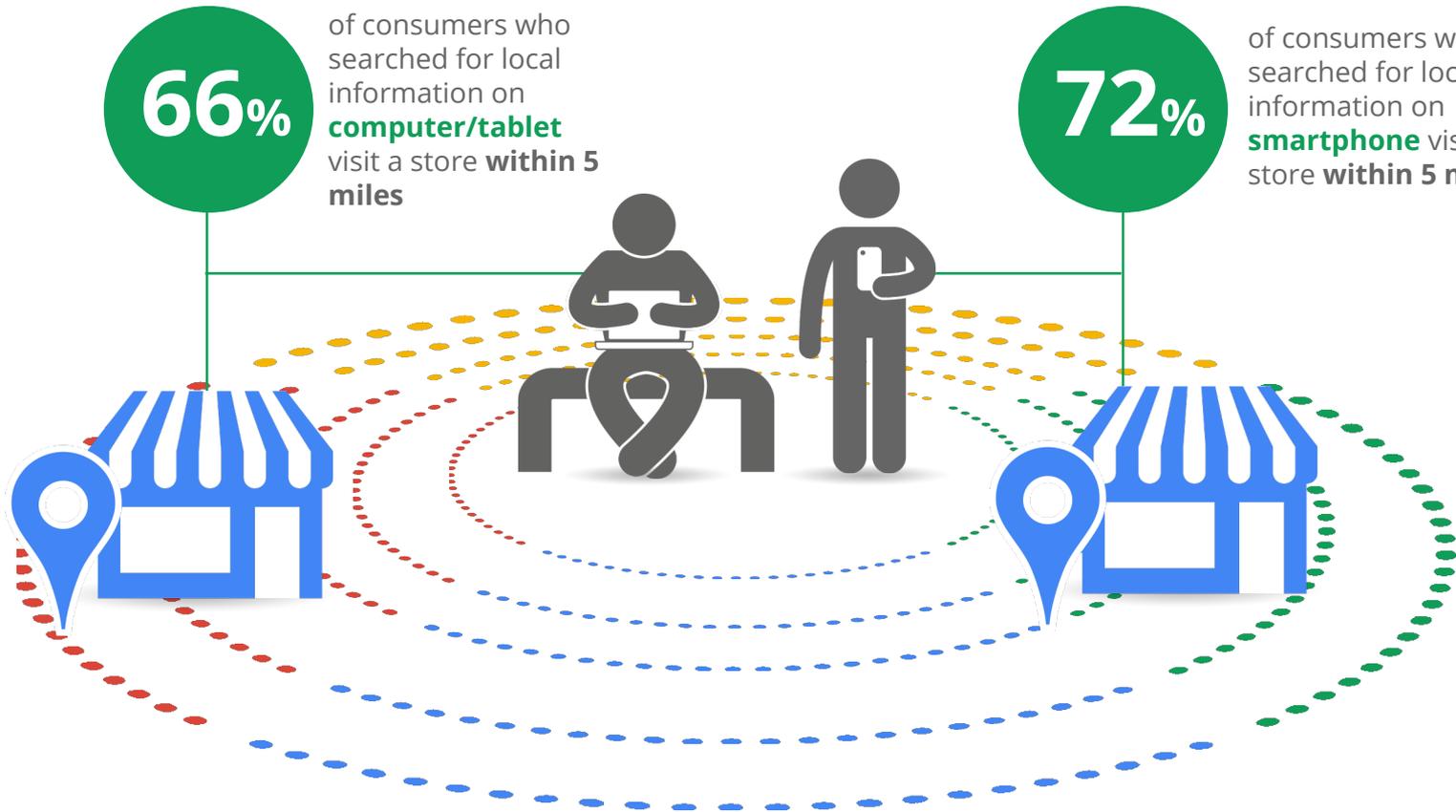
CONSUMERS CHOOSE STORES CLOSE TO THEIR LOCATION

66%

of consumers who searched for local information on **computer/tablet** visit a store **within 5 miles**

72%

of consumers who searched for local information on **smartphone** visit a store **within 5 miles**



Base: Used device for local searches on most recent vertical purchase and visited related store or business (n=81-204 for smartphone, n=247-350 for computer/tablet)

Google/Ipsos Survey Q16. And, how far away was the store or business when you decided to visit while searching on your device(s)? Select one for each device.

What we learned

Local searchers are ready to act. Many visit a nearby location within a day and complete purchases at a higher rate than consumers who conduct non-local searches.

Advertiser implications

You should use radius bidding to reach consumers near stores and build an attribution model for local searches.



A red callout box with a white shadow, containing the text 'ENGAGING CONSUMERS WITH LOCATION-BASED ADS'.

ENGAGING CONSUMERS WITH
LOCATION-BASED ADS

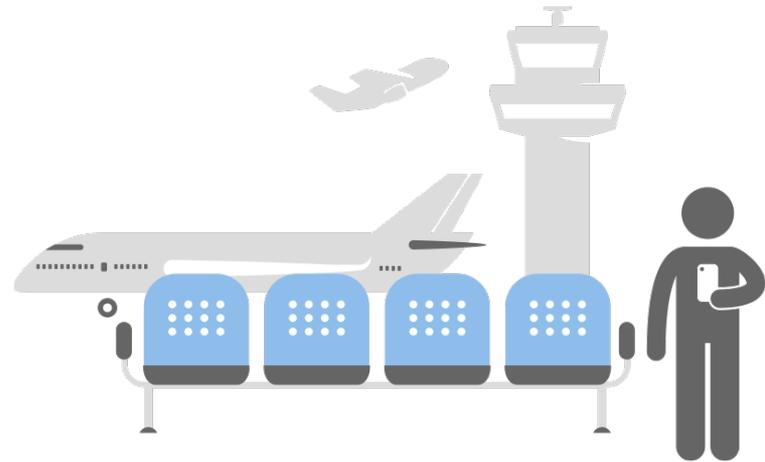
CONSUMERS WANT ADS CUSTOMIZED TO THEIR LOCATION



72% of Computer/Tablet users

67% of Smartphone users

want ads customized
to their *city/zip code*



70% of Computer/Tablet users

61% of Smartphone users

want ads customized to their
immediate surroundings

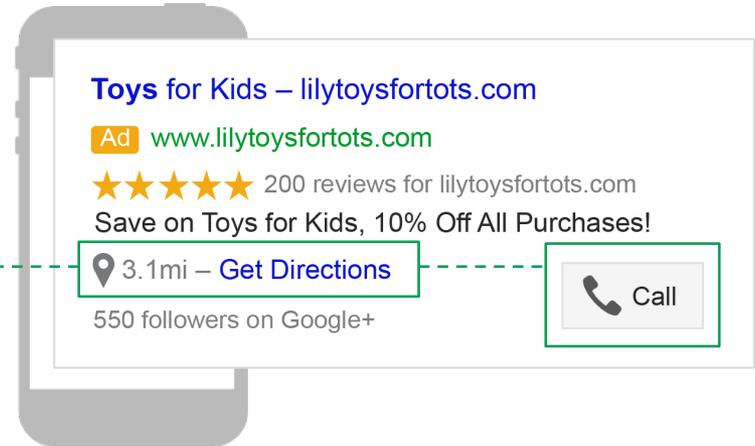
CONSUMERS USE LOCATION INFORMATION IN ADS



Computer/Tablet

61%

use local address or phone number



Smartphone

68%

use get directions or call button

CONSUMERS WHO HAVE USED LOCATION INFORMATION IN ADS SAY IT'S IMPORTANT



SMARTPHONE



73%

Think **Get Directions** is important



70%

Think **Call Button** is important



COMPUTER/TABLET



78%

Think **Local Address** is important



77%

Think **Phone Number** is important

LOCATION-BASED ADS LEAD CONSUMERS TO VISIT STORES OR MAKE PURCHASES

32%

visited stores /
made purchases



19%

made unplanned visits to
stores / made purchases



What we learned

Consumers prefer location-based ads and expect ads to be relevant to their city, zip code or immediate surroundings.

Advertiser implications

You should use location extensions. And you can use location bid adjustments to fine-tune bids for specific areas, like cities or zip codes.





Understanding Consumers' Local Search Behavior

