

Do Location-Based Ads Drive Store Visits?

Many advertisers say no, but see other benefits

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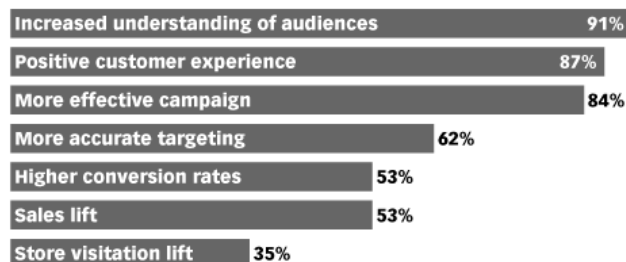
Using location data to personalize ads has given a lift to marketers trying to engage with their target audience. But driving customers into the store? That's not so clear.

In a recent survey from data platform **Factual**, many US location data buyers said they've experienced benefits like positive customer experience, effective campaigns and better targeting accuracy by personalizing ads with location data. Just over 90% said doing so has also increased their understanding of audiences.

A bit more than half of respondents said they've experienced a lift in sales and higher conversion rates following use of location data in targeted ads. And yet only about one-third said location-based ad personalization has resulted in a lift in store foot traffic.

Benefits of Using Location-Based Ad Personalization According to US Location Data Buyers, April 2018

% of respondents



Source: Factual, "2018 Location-Based Marketing Report: Practices, Preferences and Plans for the Future" conducted by Lawless Research, June 7, 2018

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For retailers with an online-to-offline (O2O) strategy, the **ability to drive in-store traffic** through targeting efforts is an important metric to consider. In fact, data from **451 Research** and **PlacelQ** found that 57% of multichannel marketers in North America said consumer location data, used to measure lift in store visitation, is the most important type of data used to gauge marketing performance.

Despite the importance marketers place on consumer location data, it might not be enough to initiate a physical store visit.

According to a survey of US mobile app users by **Localytics** last fall, just 36% of respondents said they've made an in-store purchase after receiving a location-based push notification. In contrast, 48% of those polled bought something in-store as a result of a personalized notification, based on a profile and past behavior, instead of location.