Cross Device Local Search: A Guide for Businesses

If you’re a business looking for customers, here’s a word of encouragement: Millions of customers are looking for you too. Last year, over 350 billion Internet searches were made, a growing percentage of them on mobile devices. In fact, mobile devices are soon expected to overtake PCs as the primary platform for Internet-based searches.

Industry estimates show that nearly half of all Internet searches made from mobile devices are local in intent, a number that should capture the attention of every marketer. Why? Because local searches lead to action. Last year, more than half of all local searches led to a purchase. And that number grows higher depending on the type of device doing the searching; local business searches made from a mobile phone, for example, result in a purchase almost 80 percent of the time.

Greg Sterling, principal analyst and founder of Sterling Marketing Intelligence and blogger for Search Engine Land, believes the importance of local search is undervalued by many businesses. “Internet-influenced offline spending currently has a value roughly ten times that of e-commerce, or $2 trillion per year,” Sterling points out. “Consider that mobile devices will soon replace PCs as the preferred device for Internet searches, and that half of all Internet searches made from mobile devices are local searches, and the importance of local search in terms of driving business revenue becomes much bigger than e-commerce.”

Currently, the local search market is fractured and in flux. Today, consumers look for different kinds of local information on different search sites, and conduct different kinds of searches from different devices. In a survey...
commissioned by Neustar and 15miles, the 2014 Local Business Search Study, clear lines did emerge between the type of device, the type of site and the type of search, suggesting that marketers can improve their numbers by adapting their marketing strategies to account for where a consumer is searching and what device they’re using.

Local searches are often conducted by consumers late in the decision-making process and represent a unique opportunity to engage and drive revenue—provided businesses tailor their message to the medium (i.e., the specific search site) and the device (i.e., smartphone, tablet, PC/laptop).

**Four Essential Things to Know:**

1. **Different Devices Have Different Roles in Local Search**
   - Mobile phone and tablet searches are driven by a need for information on the go.
   - Tablet searches increasingly appear early in the decision-making process... and later in the evening.
   - Mobile phones have the highest conversion rate, with four out of five local searches ending in a purchase... BUT three out of four of those purchases take place in a bricks-and-mortar store.

2. **Different Sites Also Have Different Roles in the Search Ecosystem**
   - Consumers believe they’re more likely to find basic business information (address, telephone number, hours of operation) on an Internet Yellow Pages (IYP) site, and more likely to find maps and direction on a local search site.

3. **Consumers Search Different Business Categories in Different Ways**
   - Restaurants and retail shops were again the most common local search categories across all devices, but after that it depends largely on the device doing the search.
   - Consumers tend to have a specific business in mind when searching on some categories (e.g., healthcare, restaurant) but not others (e.g., travel, entertainment).

4. **GPS Will Play a Key Role in Local Search**
   - The number of people with a Global Positioning System (GPS) on their mobile phone rose six percent in 2013.
   - 40 percent of GPS owners have never experienced a problem with their GPS device’s directions.
   - GPS owners would like to see information such as hours of operation and special offers alongside maps and directions.

- IYP sites have the highest share of searches for independent businesses.
- Searches on a portal site (e.g., Google, Bing) are slightly less likely to result in a purchase than searches made on local and IYP sites.
Different Devices Have Different Roles In Local Search

Nearly two out of every three consumers use multiple devices for local search. And nearly one in three use a PC/laptop, mobile phone and tablet at various times.

Consumers tend to use these devices differently when searching for local business information. Although the vast majority of local searches are still performed on a laptop or PC, consumers turn to mobile phones or tablets when they need information on the go.

While location is obviously a factor when choosing a device for local search, so is the time of day. Individuals tend to use PCs and laptops for local search during the day, but turn to smartphones and especially tablets later in the day. Nearly half of all tablet-based local search activity occurs after 5:00 PM when many stores are already closed. This number corroborates with the fact that tablet searches are increasingly being used early in the decision-making process during what is typically the comparative research stage. Last year, tablet owners reported using the devices at the beginning of the search process 41 percent of the time, a nine percent rise from the previous year.

Although PCs and laptops represent the lion’s share of local search traffic, PC and laptop users are less likely to put their money where their mouse is. According to the comScore survey, only 61 percent of local searches made on a PC or laptop resulted in a sale. That’s a healthy number, to be sure, but below the 64 percent that tablet users reported and well below the 78 percent reported by mobile phone users.

The most interesting aspect of the mobile phone market, however, is where they purchased those products: 3 in 4 purchases resulting from a mobile local search are in a brick and mortar store.
Different Sites Have Different Roles In The Search Ecosystem

The local search ecosystem can be divided into three groups: Search Portals such as Google, Yahoo, Bing, etc.; Local Sites such as Yahoo! Local, Google Maps and Yelp; and Internet Yellow Pages (IYP) sites such as YP.com and CitySearch.

While each group competes for the same customers, distinctions between the different groups have emerged in the minds of consumers over the years. Consumers are likely to use multiple search sites just as they do multiple devices for local information, depending on the type of information they need.

Consumers expect to encounter the same depth of information regardless of the site itself. Expectations as to the kinds of information they find, however, vary depending on the type of site.

For example, consumers believe they’re more likely to find maps and directions on a local search site than searching from a portal or an IYP site. But consumers do expect to find basic business information such as address, telephone number and hours of operation from a local search site. Search portals are generally viewed as the best source for finding a business website or promotional offers.

Consumers also use different sites depending on whether they’re looking for a branded business or an independent business. IYP sites appear to be the go-to site for many consumers looking for independent business information, while the portal sites remain the favorite for branded businesses.

One aspect that remains relatively consistent across sites is the percentage of local searches that lead to a sale. IYP and local sites had a slight advantage in 2013 at 64 percent, but portal sites showed the greatest gain since last year, rising five points to 62 percent.
Consumers Search Different Business Categories In Different Ways

While WHERE (e.g., portal site) and WHAT (e.g., mobile phone) can reveal a lot about a consumer’s search, they’re not the only questions to consider.

WHY a consumer is searching also plays a significant factor in local search results. Restaurants and retail shops continue to dominate the local search landscape, collectively accounting for nearly half of all local searches, followed by local services and health. But trends are emerging that show consumers also tend to use certain types of devices to search for certain categories.

For example, tablet users are four times more likely to search for health services than mobile phone users. And mobile phone users are twice as likely to search for travel information than PC/laptop users.

The study also revealed that consumers tend to have a particular business in mind when they search for certain categories. Two out of three consumers who perform a local search for physicians, restaurants or banks already have a specific business in mind. At the other end of the spectrum, moviegoers tend to be more open-minded in their searches, with only one in three having a particular destination in mind.
GPS Devices Will Play A Larger Role In Local Search

In 2013, more consumers had access to GPS technology, both in their cars and increasingly on their mobile devices. The rise in GPS ownership is coupled with growing consumer confidence in the technology: forty percent of GPS owners have never experienced a problem with their GPS.

There is room for improvement, however, in the depth of business information that appears on a GPS device. Many consumers would like to see hours of operation, special offers and coupons, customer reviews and other information available from maps in the future.

Recommendations For Businesses

Different devices and different search sites can provide critical context for marketers who want to understand what consumers are looking for and where they are in the buyer’s journey. In addition, there is a clear opportunity for businesses to gain a competitive advantage in local search by aligning accurate and detailed data with the right search sites and devices. From these and other data points made in the study, businesses should pay attention to these best practices to maximize their 2014 local search ROI:

1. Take your mobile site seriously and embrace good mobile design principles.

Customers no longer expect (or forgive) a poor mobile experience.

In fact, the comScore study shows that consumers have the same expectations for good site design regardless of whether they’re using a PC, tablet or smartphone. And customers aren’t the only ones who will notice if your business isn’t mobile friendly; Google will also rank your site lower in mobile local searches if you don’t have a mobile-friendly interface.

2. Ensure that business data is accurate and up-to-date.

Studies show that as many as half of all businesses have some type of missing or inaccurate business information about them on Internet search sites.

The complexity of local search is partially to blame, as there are hundreds of different local search sites and mobile apps on the Internet that populate local business data from various sources. Industry analyst Greg Sterling sees the mobile app space as being particularly problematic in the future. “Most mobile users spend
the vast majority of their time in mobile apps versus the mobile web," he notes. “These apps draw data from a variety of sources, some good and some not so good, so it’s important to use a solution like Neustar Localeze to manage and disseminate business data accurately to both web sites and apps.”

3. Get the important business information right, and then enhance it.

While businesses need to get their core business listings right—address, phone number, hours of operation—they also need to enhance that information to improve the search experience. For example, pictures, menus, customer reviews and coupons are the kinds of information that consumers increasingly look for (and act upon) when conducting a local search.

4. In addition to omnichannel marketing, think omnidevice marketing.

Most consumers own multiple devices—smartphones, tablets, PCs/laptops, etc.—and use those devices at different times in the day, essentially moving between different screens even as they search for a single item or destination. The challenge for marketers is to mirror that multidevice behavior in their marketing by understanding that the buyer’s journey will likely traverse multiple devices along the way.

About Neustar Localeze

Localeze is a trusted business listings identity management provider for local search. As a trusted partner, Localeze maintains direct, authorized relationships with local search platforms, national and regional brands, channel partners and local businesses.

The service provides businesses essential tools to verify, manage and enhance the identity of their local listings across the Web. Through these relationships and access to authoritative local business information, Localeze is the trusted provider of enhanced online local business listings in the local search industry.

Localeze is a Neustar Service headquartered in Sterling, Va. For more information visit www.localeze.com.
About Neustar

Neustar, Inc. (NYSE:NSR) is the first real-time provider of cloud-based information services and data analytics, enabling marketing and IT security professionals to promote and protect their businesses. With a commitment to privacy and neutrality, Neustar operates complex data registries and uses its expertise to deliver actionable, data-driven insights that help clients make high-value business decisions in real time, one customer interaction at a time.

More information is available at www.neustar.biz.

21575 Ridgetop Circle, Sterling, VA
20166 +1 571 434 5400 / www.neustar.biz
© 2014 Neustar, Inc. All rights reserved.