



# Boosting Local Search Results with Cross-Device Retargeting



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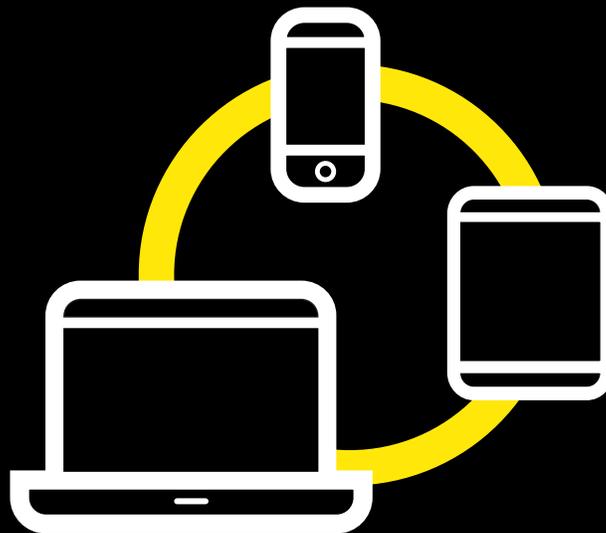
## Executive Summary

Local search provides one of the most cost-effective solutions for delivering qualified leads to national brands and business owners. However, prospective customers sometimes need a bit more time, often jumping from local search results to other activities on multiple devices such as smartphones and tablets without making desired product or service decisions.

According to a recent YP<sup>SM</sup> and comScore study, **63% of all online consumers in the US** readily switch devices to complete their local business search.<sup>1</sup> Up to now, when potential customers moved beyond initial local search results, consistently contacting them again across devices has proven somewhat problematic.

YP Cross Device Retargeting addresses this challenge; offering brands a way to 'continue the dialogue' with potential customers who require more time to take action regardless of the subsequent device used or their present location.

Minutes, hours or even days later, brands can now travel with YP audiences all the way from initial expressions of interest to the "last mile" of a consumer's path to purchase to influence behavior and potential results.



## 2 Making the Most of Local Search

In today's increasingly fragmented consumer environment, multi-tasking on multiple media platforms and screens, local search remains the #1 digital marketing approach for finding new customers.

According to a recent Ipsos MediaCT survey, local search use is near universal with four out of five respondents considering it a primary method for obtaining local information.<sup>2</sup> Offering store location details, directions, business hours, product availability, etc., local search provides one of the most cost-effective solutions for delivering qualified leads to national brands and business owners.

**YP is #2 in mobile search, after only Google**

However, when potential customers move off local search results without taking an action, it becomes a messaging opportunity. While the expression of interest remains, users have moved on to other activities, often on different devices. Even local search marketing campaigns considered widely successful are likely missing multiple engagement opportunities with prospective customers, if focused solely on the performance of query results pages.

## Enter Search Retargeting

Despite the ubiquitous power of search, queries represent just a small fraction of a user's overall online experience. However, until recently, search marketers possessed few options to 'continue the dialogue' with potential customers once they moved beyond initial search results.

According to Nielsen and the OPA (Online Publishers Association), U.S. consumers spend 96% of their overall online time outside search environments – content, games, commerce, social, etc.<sup>3</sup> While search is a primary (and many times, first) component of the brand journey, once exposed to search results, users either:

- a) Take action within the query results (respond or refine search)**
- b) Move on to other activities (online and offline), deferring action until later**

In case of scenario (b), search marketers seek to extend messaging from the first known expression of interest, the search query, to other accessible points in the consideration process. This is accomplished by tapping into a consumers' other digital media activities, including the other sites and services frequented online.

Offered by YP, the approach is called Cross Device Retargeting – delivering relevant display ads and other creative messaging at key points in a user's subsequent digital journey.

## The Basics of Cross-Device Retargeting

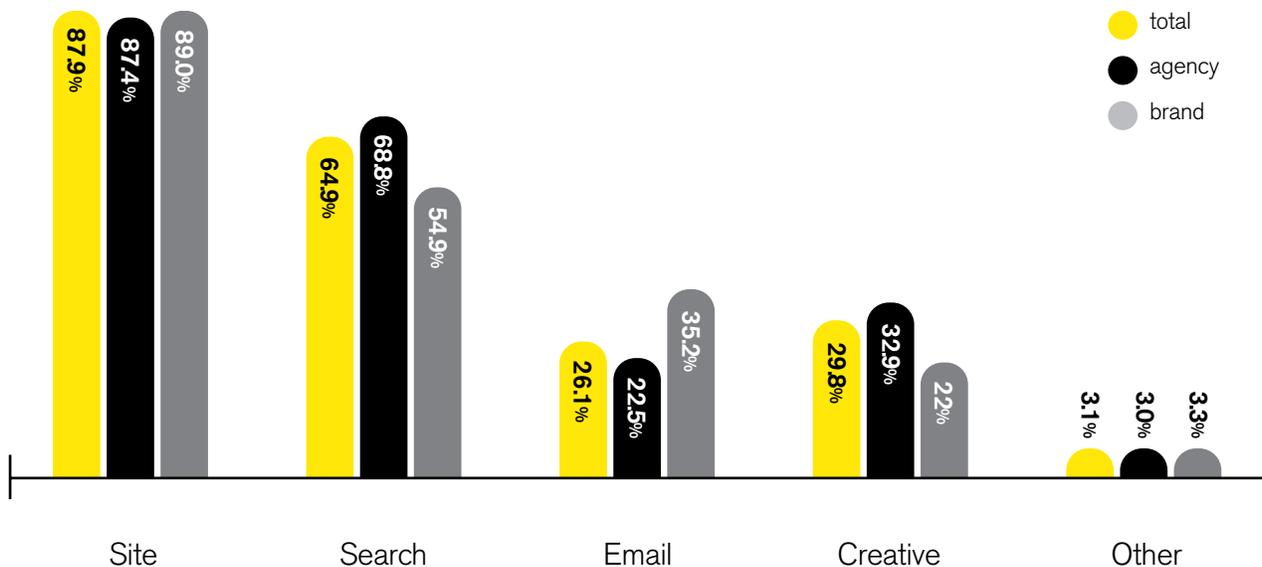
The process begins with an initial search query – for example, a user conducts a local search on YP.com expressing interest in finding a local product or service (pizza, oil change, hotel, etc.). After reviewing search results, the user shifts focus to other online activities without making a decision. However, post search, the user typically remains in *active consideration mode*, open to suggestions.

As online activity continues in the minutes, hours and days ahead (later if relevant), the user is exposed to targeted display ads on the subsequent sites visited across multiple devices – reminders of the products and services previously investigated via search. Related display creative may contain additional product details, incentives and other messaging to entice a latent response.

Similar to regular search engine marketing techniques (SEM), search retargeting campaigns can be optimized by audience, product or service category, site list, time of day, location, price, etc. In addition, if display is already an active part of the digital media mix, search retargeting can easily re-purpose existing creative assets, potentially improving the performance of both search AND display campaign efforts in the process.

At present, marketers have embraced search retargeting for the enhanced efficiency and effectiveness it provides to their search and display investments. According to a recent Digiday survey (figure below), the majority of brand marketers (54.9%) and agencies (68.8%) consider search retargeting the second-most influential retargeting technique (behind site retargeting), with expectations of rising budgets in the coming quarters.<sup>4</sup>

### What types of retargeting are you doing?

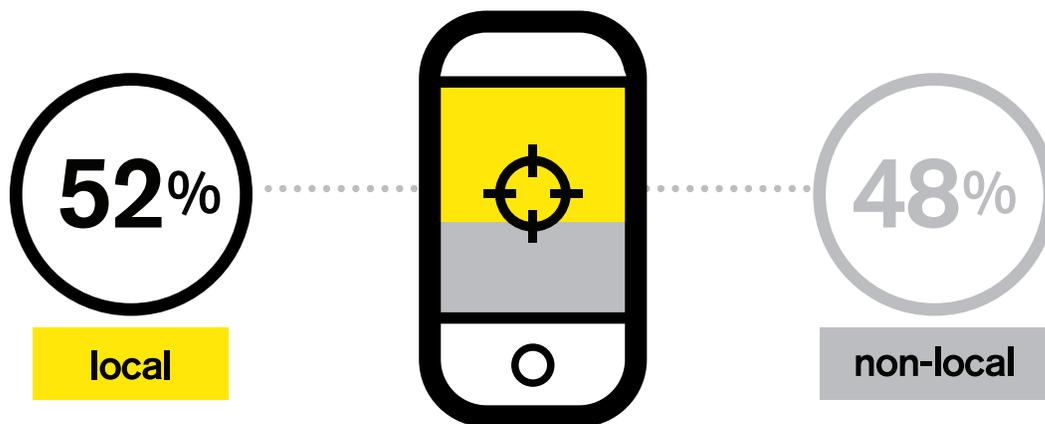


### 3 Adding the Mobile Dimension to Search Retargeting

Perennially considered next year's great advertising opportunity, mobile is quickly taking its rightful place alongside TV, radio, print, outdoor and other forms of digital. The IAB reports that mobile represented 17% of total U.S. digital ad spending in 2013 (\$7.1 Bn), up 110% from 2012.<sup>5</sup>

Leading the mobile charge is local. BIA/Kelsey projects locally targeted mobile ads will represent more than half (52%) of all U.S. mobile ad spending by 2018, largely driven by local marketing tactics such as geo-fencing, click to call, click-to-map, etc.<sup>6</sup>

#### Total U.S. Mobile Ad Spend (by 2018)



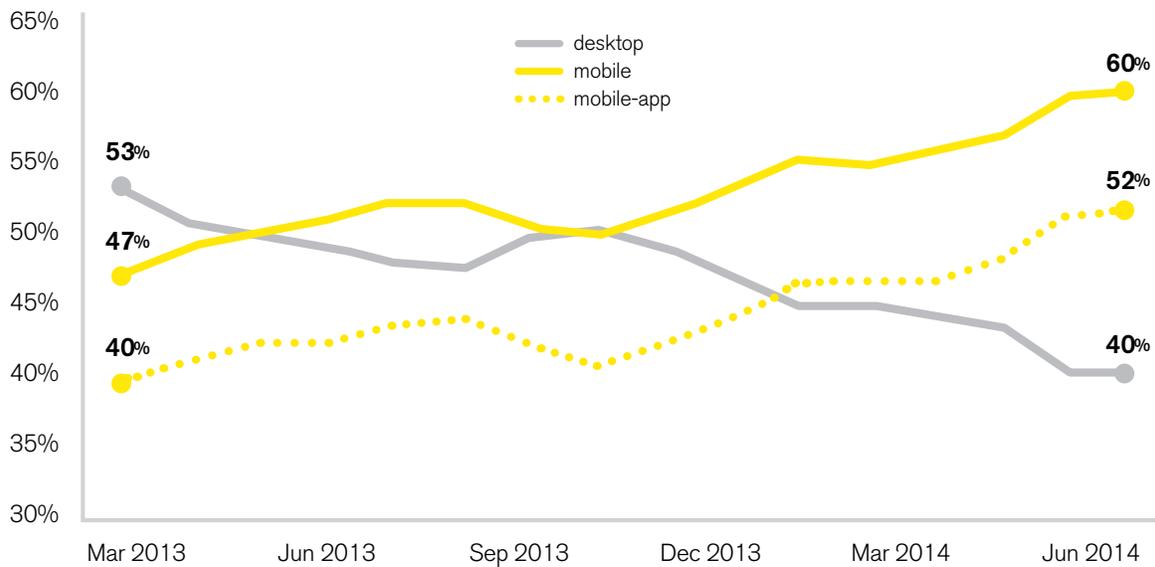
The marketer trend towards the use of localized mobile tactics is understandable. Consumers now spend 60% of their online time with mobile devices such as smartphones and tablets vs. fixed location desktops and laptops.<sup>7</sup> Increased app use is the main driver of overall mobile time spent. According to comScore, 7 of every 8 minutes on mobile devices are now spent in some form of app activity such as search, social, media, games, etc. App use is so dominant among U.S. consumers, it currently represents the majority (52%) of ALL digital media time spent.<sup>8</sup>

As digital media consumption shifts further away from fixed location devices to mobile, so too will related commerce activity. According to Forrester, mobile will become the primary method (54%) of buying something online for connected users in the U.S. within the next four years, displacing desktops and laptops.<sup>9</sup>

With near full device penetration among consumers, increasing sophistication in use (search, media, social, commerce, games, etc.), mobile represents both a vibrant interactive vehicle for delivering advertiser messages as well as an enablement platform involved in all aspects of the customer journey.

### Share of U.S. Digital Media Time Spent by Platform

Source: comScore Media Metrix Multi-Platform & Mobile Metrix, U.S., March 2013 - June 2014

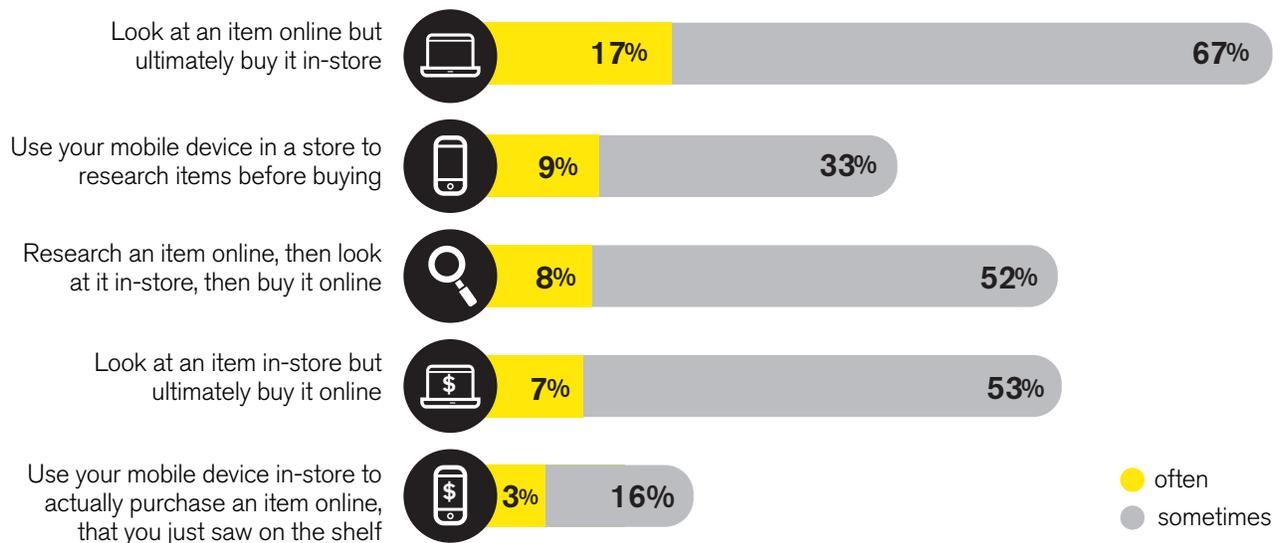


## Uncovering Mobile's Marketing Role

From the marketer's perspective, uncovering mobile's proper role with brands is a continually evolving process - understanding how smartphones, tablets and other connected devices enhance brand experiences depending on consumer location (home, in-store, etc.) and expressed intent.

Mobile can be the glue providing additional brand touch points or act as the connective tissue between a tethered laptop and physical act of walking into a store.

According to Nielsen, new consumer habits emerge when mobile devices help online and offline activities move closer together. 42% of respondents stated they 'sometimes' or 'often' use mobile devices while shopping in a store to aid the buying process. Another 19% stated they did the same thing but completed the purchase online.<sup>10</sup>



## Cross-Device Impact on Retargeting

Mobile's emerging dominance makes understanding the platform's role in consumer brand decisions ever more critical. A July 2014 Forrester survey revealed that 70% of 'connected' consumers currently use 3 or more devices every day (laptop, tablet, smartphone, etc.), utilizing a variety of screen sizes, search and discovery methods at all stages of the customer journey.<sup>11</sup>

In addition, 38% of survey respondents (figure below) cited mobile devices, including both tablets and smartphones, as a primary part of determining brand preference prior to purchase.

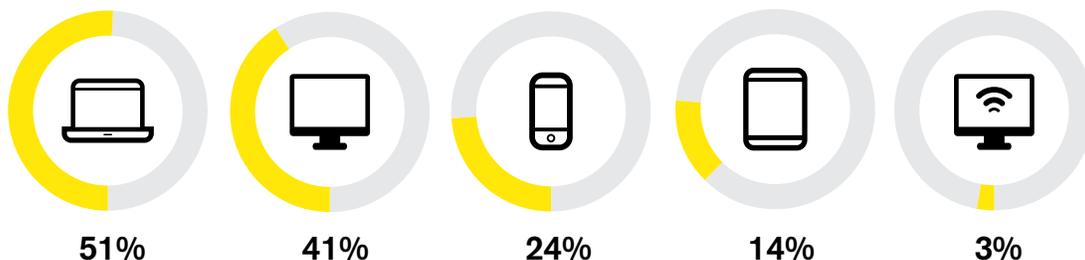
While cross platform has become a consumer norm, the device type used at any particular point in the customer journey remains less clear. At present, *no single device* has a distinct advantage.

What is clear at the present time – increased mobile use and device interchangeability have already impacted consumer behavior in four important ways:

- 1 **Multi-device exposures** - 63% of all online consumers in the US readily switch devices to complete their local business search.<sup>12</sup>
- 2 **Multi-device conversions** - 67% of users start the consumer journey on one device and finish on another.<sup>13</sup>
- 3 **Search usage/conversions** - Mobile will count for over 50% of all paid clicks by EOY 2015.<sup>14</sup>
- 4 **Browser/App Co-usage** - Even on a single device, users alternate activity between app and browser, further complicating measurement targeting options.

**“What device(s) did you use when you researched this product or service prior to purchasing?”**

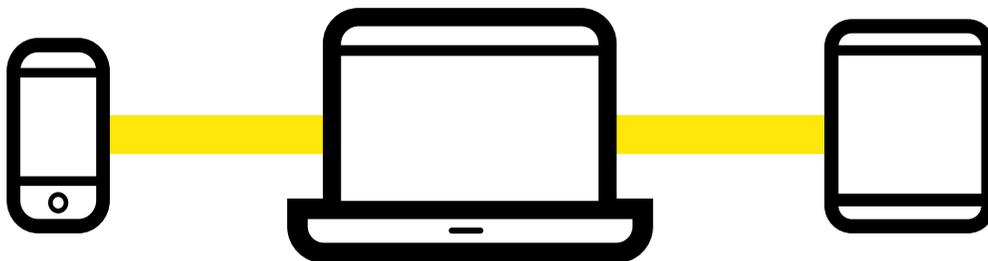
N = 1,124



## Mapping Cross-Device Use: The 3 Main Technical Hurdles

As a consequence of increased mobile use and device interchangeability, existing search retargeting solutions are now tasked with matching users to their specific devices throughout the consumer journey. There are three main hurdles to achieving this goal:

- 1 Visibility of Device Touchpoints** - Properly optimizing by category, creative unit, etc., requires the visibility of most (if not all) of a user's device touchpoints - smartphone, tablet, laptop, etc. Without a more complete picture of a user's overall device activity, extremely difficult to map attribution from initial query to conversion.
- 2 Connecting back to initial query** - In addition, any potential cross-device solution must not only properly identify mobile device activity, but also create relevant connections to 'tethered' desktops and laptops still in heavy use within U.S. households. Only in this manner will local searches conducted by prospective consumers on one device be properly retargeted elsewhere.
- 3 Moving Beyond Cookies** - The inherent problem with retargeting on mobile is that the cookie - retargeting's lifeblood - is functionally irrelevant on mobile. Fragmentation across devices, operating systems, browsers and apps renders traditional ad tracking somewhat problematic. While the use of cookies across devices may have some limited value, their presence is inconsistent, at best, and difficult to link from device to device, session to session, and user to user.



“Enhanced mobile targeting and measurement capabilities would **strengthen marketer confidence** and unleash the full potential of mobile and cross-channel advertising.”

Source: Forrester Mobile Survey, August 2014

In the recent Digiday marketer survey, brands and agency execs expressed their desire for improved precision in cross device matching as a factor in future investment decisions.<sup>15</sup>

An August 2014 report from Forrester echoed Digiday's findings with industry execs actively seeking improvements in targeting, tracking and performance metrics of their cross-channel campaigns. Per the report, if a solution had been readily available, 86% of marketers would have increased mobile ad spend (for 2014), and 93% would have run more cross-channel campaigns.<sup>16</sup>

## 4 Cross-Device Retargeting 'Done Right'

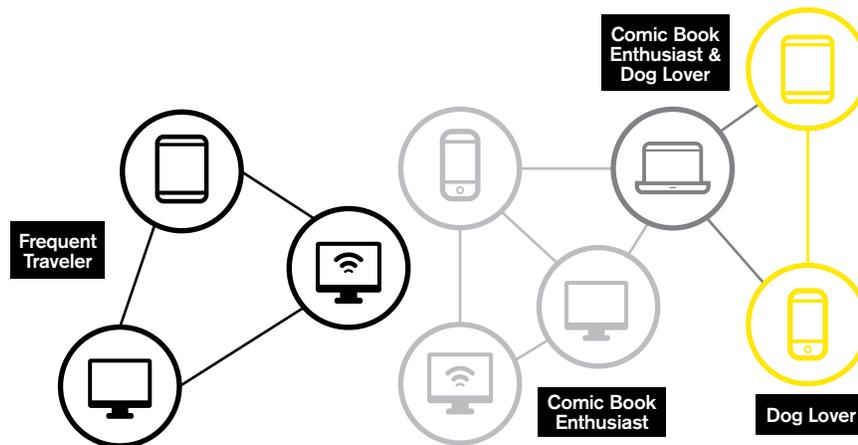
The industry hunt for more effective cross or multi-device targeting methods has sparked a fresh wave of data and analytical innovation in the digital marketing ecosystem. Cross-device targeting approaches emerging thus far include:

- ✓ **Device fingerprinting**
- ✓ **Internet Protocol (IP)-based targeting**
- ✓ **Multiple modeling techniques**

While no singular approach has yet become standard, in YP's view, one modeled solution has shown the most potential with targeting performance reaching as high as 91.2%.<sup>17</sup> Developed by Tapad, their patented 'Device Graph' technology utilizes a proprietary modeling technique, based on the combined use of probabilistic and deterministic data, that links related devices such as tablets, desktops, smartphones, etc., to form a 'unified' cross-device view of a user.

## Device Graph Basics

Data is collected in the Device Graph continuously, modeling billions of non-PII data points and isolating strong behavioral and relationship based patterns across devices. There are three main data sources: browsing and application usage behavior, obfuscated login data, and partner-provided consumer behavior segments.



The Device Graph defines devices as nodes on a defined graph. Inferred connections between them are called edges. The arrangement is similar to the way a social network would treat individuals as nodes and connections to their friends (other nodes) as edges.

Circles (nodes) in the image are not individual users but rather distinct devices. The connected lines (edges) may possess varied thickness representing varied confidence scores - thicker lines suggest increased likelihood of a relationship.

Here, we show two isolated, disconnected subgraphs (clusters). The first contains three nodes all labeled with Frequent Traveler suggesting, perhaps, a single user using all of these devices. The other cluster contains two distinct sets of devices, some tagged as a Comic Book Enthusiast while others are labeled Dog Lover. There is also one device with both of these tags present — likely a sign that this is a shared device in a household. The Device Graph is made up of hundreds of millions of these small subgraphs.

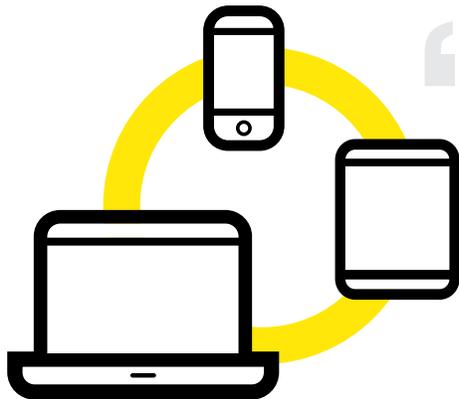
Source: Tapad Device Graph White Paper, Spring 2014

## Cross Device Retargeting from YP<sup>SM</sup>

Striving to meet growing marketplace demand for a better mobile search retargeting solution, YP sought out to enhance its already enormous scale with the most precise cross device data options available

**YP Cross Device Retargeting combines YP's industry leading local search capabilities with the precision of targeting user across screens, creating the most advanced and powerful form of search retargeting possible today.**

YP gives national brands the opportunity to identify unique audiences based on exclusive first party search intent and retarget them cross-device with mobile display ads to increase engagement. Only YP offers retargeting access to their audience of 80 million monthly YP.com and mobile visitors.



“ For cross-device retargeting to be effective requires the precision to reach prospective customers on the devices they use everyday and everywhere. This requires the merging of enormous scale of delivery, a YP standard, with extremely detailed insights on cross-device user behavior. There is no better way to deliver this combination than Cross Device Retargeting from YP. ”

**-Luke Edson, SVP, YP**

## YP<sup>SM</sup> Cross Device Retargeting Benefits

**Extend Interactions with High Intent Audience** - YP is a leader in local search with 80 million commerce-minded site visitors every month.

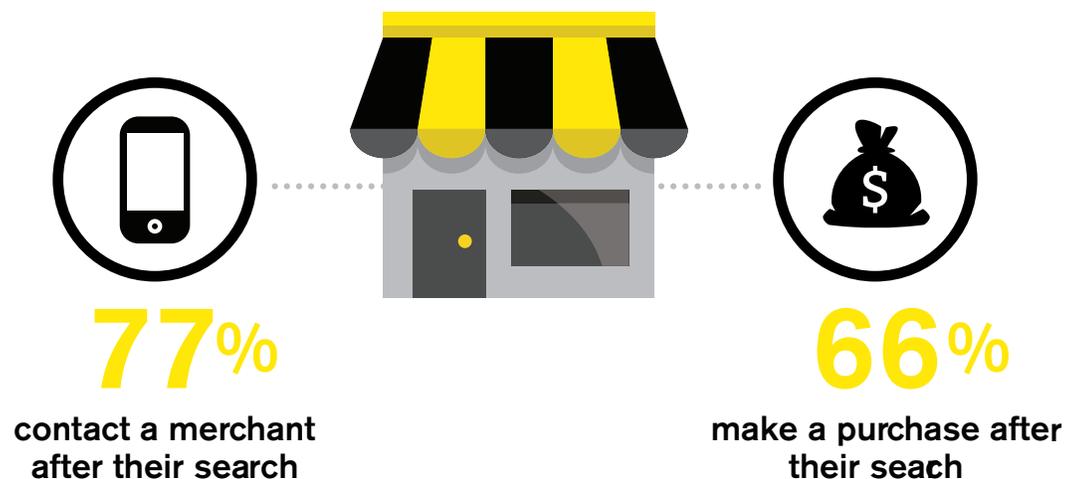
- **77% of YP searchers** contact a merchant after their search.
- **66% of YP searchers** make a purchase after their search.<sup>18</sup>

Other search retargeting services 'borrow' initial user intent from third-party data sources, duplicating exposures and wasting budget. Maximize intent through exclusive conversations with prospective customers beyond initial search queries to the other potential decision touch points.

**Engage with added Precision** - Put preferred search category segments to work beyond basic search practices to the mobile environments prospective customers frequent everyday. In addition, refine delivery to the locations that matter most all the way down to the zip code level.

**Link Intent to Conversion** - Visibility into all the devices used in the consideration process create a more defined path to purchase, from initial query (consideration) all the way to the 'last mile.'

**Combined Media Works Better** - Improve reach, branding and influence on consumer decision making by combining existing search, display and mobile marketing efforts. The combination delivers the precision and efficiency of search, the unmatched reach of display and the personalization and localized power of mobile.



## 5 Best Practices

YP Cross Device Retargeting offers brands the opportunity to enhanced existing local marketing strategies in numerous ways. Here are a few examples:



### Tagging Options

Tags typically provide insights into optimization options. By effectively monitoring conversion data, marketers will positively impact results.



### Optimization

Varying bids for segments purchased, apps targeted, (and other targeting parameters), performance can typically be improved during the course of campaigns. Leverage learnings from initial campaigns on subsequent campaigns.



### Inventory Refinement

Start with broader parameters for inventory, then review sites and app performance mid-flight, removing those who do not perform based on expectations.



### Recency

Products and services possess varying consideration periods. For example, pizza or QSRs (quick serve restaurants) have relatively short decision making windows (minutes or hours). Services such as oil changes or the purchase of hotel rooms likely require more 'lead time' (days, weeks or more) based on timing, choice and other consumer behavior.

## Key Takeaways

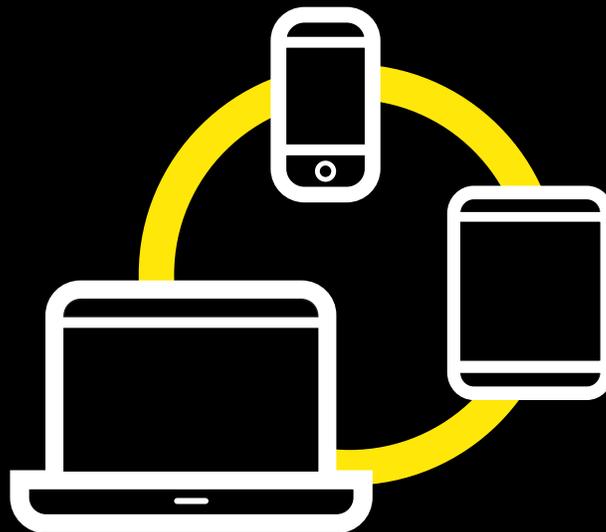
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**For more information about YP Cross Device Retargeting please visit [national.yp.com](http://national.yp.com) or email [YPNationalMarketing@yp.com](mailto:YPNationalMarketing@yp.com).**





can do that.<sup>SM</sup>

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