



finder page, digital copies of marketing guides, and videos that help owners set and maintain a social media presence.

Rachel Weiss, VP of digital strategy and interactive marketing at L'Oreal, describes the program as “a social and local platform that allows our salons to be marketers with the help and overview of L'Oreal.”

## THE NUMBERS

Local search takes over

**61%**

→ Smartphone owners who conduct local searches, compared to 32% of general mobile phone users who do the same

**8%**

→ Mobile phone users who conduct a local search every day; twice as many tablet users (16%) do the same

**15%**

→ Consumers who used social media sites for local search in 2011 (compared to 9% in 2010)

**63%**

→ Individuals in 2011 who said consumer ratings and reviews are important, versus 61% in 2010 and 57% in 2009

Source: comScore, Localeze/15miles Local Search Usage Study, January 2012

The platform launched two years ago and now boasts about 5,000 independent member businesses. When consumers visit each participating salon's individual Facebook page, they will find product details and tips on how to use them; customers that “like” the page will have their newsfeed populated with this information. As the salons are independently run, L'Oreal is not privy to how its program affects their sales. “What I can tell you,” Weiss says, “is that the salons that use the platform see a significant increase in repeat visits and new client acquisition.”

For the next step, Weiss wants to strengthen the location aspect of the campaign by encouraging customer check-ins to grow marketing opportunities. “Some people are checking in, but I haven't really found the total authentic experience of what that could look like,” Weiss says. “We want to do real-time marketing so when someone's actually making a purchase decision we can provide an offer to tell them where [a salon] is.”

Weiss sees this primarily as a question of technology still needing to develop in a way that consumers will more widely adopt. Services like Yelp reviews and check-ins on location-based social media website Foursquare attract some customers, Weiss says, but not enough to inspire great corporate confidence in the medium. Weiss identifies “an intellectual disconnect between the brand and the company that owns the technology.”

Andrew Lipsman, VP of industry analysis at [comScore](#), agrees that a dominant provider of localized marketing services—the way Google owns search and Facebook dominates social—has yet to arrive.

“There's a lot of opportunity, but the structure needed to facilitate it is still developing,” Lipsman says. “Because of that, if I'm a marketer or brand, I don't have that obvious place to go for a broad, local campaign—it's more theoretical in some ways, and still somewhat fragmented.”

### SoLoMo—or MoLoSo?

Ultimately, one of the greatest challenges for marketers trying to run campaigns that integrate all three channels is determining how to graduate from strong offerings in one or two channels to seamless messaging across all three. Like the final leg of a marathon, it's that last component that causes the most pain.

While L'Oreal's local marketing strategies center on Facebook, it's just now working to enhance its mobile offerings. Idaho-based local marketing automation provider [Balihoo](#), whose clients include Aflac and Kohler, takes the opposite approach.

“Don't start with social—get these other things in place first,” says Matt Long, director of digital strategy for Baliwoo. “This isn't like an ad where you can set it and forget it—there's a high degree of honest engagement that's expected in those outlets, and unless you demand that the local affiliates be engaged appropriately, it's going to fall flat on its face.”

The local sites that use Baliwoo see 20 to 25% of digital traffic arriving from mobile devices, according to Long. “Mobile searches are increasingly local in their intent,” Long says.

Tara Thomas, director of client strategy at [SIM Partners](#), a provider of local marketing automation solutions, believes that prioritizing channels is the toughest challenge for her clients trying to master SoLoMo. “Brands are overwhelmed and want to engage in all these different things, and may have ideas but don't know how to go about it,” Thomas says.

Thomas emphasizes data integrity and social media reviews, the significance of which many local agents or franchisees may not fully appreciate. “We'll educate them on reviews and talk to them about ‘how do you incentivize better reviews?’” she says. “A lot of businesses don't realize that reviews affect rankings within the search engines.”

### **Seeking an industry standard**

This fragmented nature is evident when looking at the types of SoLoMo campaigns brands have typically run—from fast food chain [Sonic](#)'s “On The Go” mobile ordering system, which remains in the pilot stage, to The North Face's Summit Signals that texts messages and offers to customers when they near a store, but is promoted less prominently than its Snow Report app. As intriguing as many SoLoMo efforts are, few have evolved past their initial trial phases.

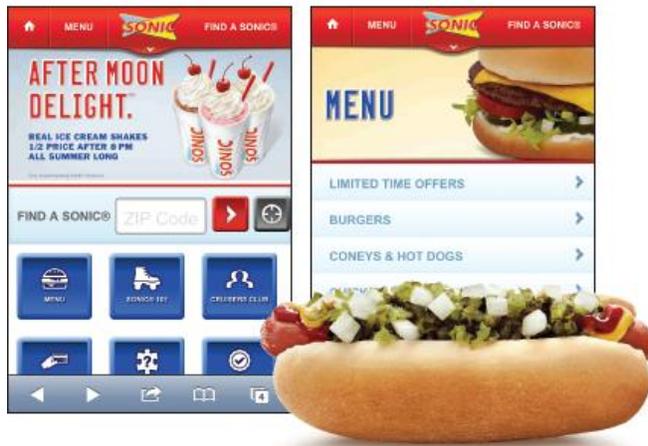
Lipsman thinks this stagnation is because the industry has not yet reached an “all-in mentality and consolidation around a platform.”

“There is not a de-facto industry standard, so what you end up getting from marketers is a lot of experimentation,” he says.

Foursquare came close to this level of adoption, Lipsman points out, but has fallen short of creating the “cottage industry” of marketing services, products, and partnerships built onto technology that Google and Facebook can claim. But Foursquare has been taking steps to better position itself as the “de-facto industry standard” described by Lipsman.

Foursquare revamped its website in June, emphasizing personalized recommendations and deemphasizing its trademark badge-earning—through which users could become the “mayor” of frequently-visited locales. Four tab displaying—besides the usual recent check-ins—news from individuals' favorite places, called [Local Updates](#).

Sonic's "On The Go" campaign for the fast food chains mobile ordering system remains in the pilot stage



In other words, the company is placing less weight on game mechanics to encourage check-ins and more weight on local deals and news.

"These updates can include specials and discounts, but they can also include any other information that a local business thinks its loyal customers might find interesting," says Steven Rosenblatt, Foursquare's chief revenue officer. [Outback Steakhouse](#), for instance, posted a photo of a sizzling meal with the line "These crab legs make our steak look even better." Clothing retailer [Express](#) offered a check-in special for \$15 off.

Shortly after launching Local Updates, Foursquare introduced Promoted Updates, that allows merchants to target individuals who would likely be interested in their offerings when nearby. "For example, if I've been to every Mexican restaurant near my office and a new taco joint opens up down the street, they'll be able to push a Promoted Update into my Explore tab encouraging me to check them out," Rosenblatt says.

### Getting more precise

That mobile and geo-location technologies are evolving quickly is a major reason marketers should take steps toward a SoLoMo strategy.

One early adopter of SoLoMo is [Hi-Time Wine Cellars](#), which partnered with retail technology company iViu to incorporate its indoor-location app and database management in its Costa Mesa, CA store.

Unlike other products that generate deep brand loyalty, wine has a customer base more open to suggestions about similar products. Thus in-store location mapping can be particularly valuable. "I wanted people to walk through and find out information about the different areas; so, if they're in the section for France we can tell them about Burgundy, if they're up in California we can tell them about the latest from Sonoma," says Tobin Sharp, creative director at Hi-Time. "I just really like the idea of being able to engage our customers even more, so if we don't have a warm body on the floor, we still have the store voice there. That's what really got me excited," Sharp says.

Each month, the store selects a wine-of-the-month that costs less than \$10 and promotes it through the iViu app. "We want [customers] to find out about certain wines," Sharp says. "They walk by and their phone rings telling them we want them to try it—we show them a picture of the bottle, put all these descriptions letting them know how perfect it is for this hot weather we're suffering through; they will enjoy that and come back for more and tell their friends when we get it right."

But what makes the social component such a success is the shop's frequent events. In addition to weekly wine tastings, Hi-Time runs a Cinco de Mayo tequila tasting and recently held a rum tasting and cigar-rolling event (complete with a cameo by a band of pirates). The store also hosts an annual Charity Chili Cook-off, which inspires photographing and sharing.

Of course, when it comes to targeting consumers demographically and geographically, a small, one-location business like Hi-Time has an advantage. It's able to work more nimbly and adjust its app more swiftly than a national organization trying to tweak a platform used by several thousand local affiliates. Yet, Melissa Parrish, senior analyst at [Forrester Research](#), specializing in mobile marketing, cautions that large brands not at least experimenting with location technologies risk being left behind.

“If you're a national brand with local outlets or sub-brands, you need to be prepared for the coming increase in specification in location technologies, especially on smartphones and other devices,” Parrish says. “It's not in [a brand's] interest to just wait—at least testing now is great, because you have to get up to speed and figure things out since these devices are only getting smarter and more pinpointed.”

### Customer-focused and practical

As Hi-Time demonstrates with its simple, practical approach to local marketing, a top priority for effective SoLoMo is keeping the offering easy and useful enough for consumers to want to integrate it into their daily routines. These are lessons that can apply to national brands, as much as to small and medium businesses.

Statistics indicate that customers will embrace SoLoMo initiatives. Local business search through social media has increased 67% since 2010 and almost 300% since 2008, according to [Localeze's 2012 Local Search Study](#). Additionally, 61% of respondents believe local search results are the most relevant. At the same time, a SoLoMo campaign needs to have relevance.

“It's figuring out what your customers need from you, how they behave socially, and are there social needs they have in the context of what you offer that you can make relevant to where they are at a moment in time,” Parrish says. She adds that brands can get tripped up when they put the focus on the technology rather than on the customer experience.

[Krispy Kreme's Hot Light Locator app](#) exemplifies simplicity and ease-of-use, Parrish says. The downloadable app sends users alerts when a nearby location has just baked a batch of doughnuts and flipped on the brand's signature neon “Hot Now” sign.

[Krispy Kreme](#) CMO Dwayne Chambers says that when coming up with the app, his team debated about developing a gamification component before nixing the idea in favor of something more straightforward.



Krispy Kreme's Hot Light Locator app enables users to share its information through social media

“We decided that rather than try to create behavior, we would take the behavior that was already there and just help people do it more easily,” Chambers says.

Working with its agency, Barkley, and its own internal marketing team, Krispy Kreme designed the app so users could also share its information through social media channels. This strategy works for Krispy Kreme, Chambers says, because it reflects the strategies that made the brand successful: word-of-mouth and a local approach to business.

“When we became more engaged in Facebook and Twitter...we went out to our individual shops and franchisees and said, ‘If you want your own Web page or Facebook page, we're fine with that,’” says Chambers.

Krispy Kreme offered training and templates for individual stores to follow, but encouraged individuality. “Let's connect them all together but not have to feel like we have to control everything,” he says. The approach has allowed the national brand to enjoy social engagement on a local level.

### **All about data**

Flashy location technologies and applications notwithstanding, some marketers contend that the most crucial element of SoLoMo integration resides in the comparatively un-sexy world of customer data.

A top priority for marketers trying to connect with customers through mobile is accuracy.

“The big thing is how do we understand consumers' particular habits on those devices?” says Carree Syrek, chief strategy officer at Kinetic Social, which works with brands like Unilever and Hasbro to connect consumer data to social and mobile—and, increasingly, local—marketing efforts. “If I go to a Stop & Shop, how can brands use their data to say, ‘I know you're a coffee drinker,’ and move you to the Folgers aisle.”

While it doesn't have to focus on a number of national locations, the marketing team at luxury resort [The Cosmopolitan of Las Vegas](#) has taken a similar customer-centric approach to its messaging throughout the large property. The resort draws on customers' social media interactions before, during, and after their stay to promote various offerings available on-site.

“To provide the best mobile and local experience it is important that we don't force [customers] to learn a new behavior,” says Allen Vance, director of Internet marketing and social media for The Cosmopolitan. “Any approach that we take we think of ways we can enhance their overall enjoyment while interacting with our brand using existing location-based services.”

For example, someone using online search to find the hours of the Cosmopolitan's restaurant The Wicked Spoon will have easy access to additional information, such as location-specific specials. The Cosmopolitan even offers a unique Foursquare badge for guests to gain VIP entry into the restaurant.

The property also ties its loyalty program, Identity, into SoLoMo efforts. As individuals interact with restaurants, shops, and gaming, their rewards build up and they eventually achieve different tiers of exclusive benefits that can be redeemed for anything from a free drink to a free stay.

“We often combine location-based services that our guests are familiar with, such as Foursquare, with that of the Identity program,” Vance says. “Check-ins that can lead to a specific VIP badge also includes ‘offline’ Identity rewards. Identity to a degree is actually a location-based loyalty program.”

These campaigns illustrate what Forrester's Parrish would consider the secret to effective SoLoMo: seamless simplicity. “It's not about solving the world's problems or capturing a brand-new audience,” she says. “It's trying to target people who already have an affinity for the brand and really offering them a localized service that speaks specifically to their needs.”