

# AN AWESOME GUIDE TO GEOFENCING MARKETING



Geofencing allows marketing companies to identify a user's intent by checking their location and seeing if relevant products or ads can be shown to that user.



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# What is Geofencing and Geofencing marketing?

Geofencing is the use of GPS or RFID technology to create a virtual geographic boundary, allowing software to trigger a response when a mobile device enters or leaves a particular area. Geofencing marketing is using a customer's GPS location to show them advertisements based on their specific target location. Geofencing marketing allows for highly precise digital marketing and ensures that the target is more likely to be a potential customer by virtue of their location.

Geofencing ad campaigns are ideal to find consumers based on exact locations and serve "hyper-local" advertisements and messages. Geofencing campaigns can be set up across multiple types of online advertising campaigns, such as search engine advertising, display advertising, remarketing, and video advertising. Imagine being able to target people in incredibly hyperlocal areas such as IT parks, cinemas, events, trade shows, concerts, shopping malls, marriage halls, retailers, convention centers, and even your direct competitors. You can maximize your reach people who are most likely to be converted into potential customers.







Car dealerships  
can set up  
geofencing  
around their  
buildings and  
even competitor  
dealerships to  
attract customers.



# Examples of Geofencing marketing

Here are few examples of how geofencing marketing could work:

- A potential gadget buyer or a trainee or a future employee could be in a big tech-park
- A potential marriage shopper could be at a competitor's jewelry store
- A key decision maker of your enterprise software product could be at a major conference
- A potential new-gen, multi-interest buyer could be a popular cinema or restaurant or pub
- A potential car-owner could be at a competitor's dealership instead of yours
- A key decision maker looking for advanced medical technology could be consulting at your city's top hospitals or attending a workshop / training program
- AR Rahman's live concert could attract several buyer personae too
- And, what about India's most sought after music and dance festival of Chennai that attracts many lovers of the classical art-form..





Geofencing advertising is supported by Google Adwords, Facebook, and Instagram, however, strategy matters more than the execution.



# Building a strategy for your Geofencing Marketing campaign

Don't start geofencing locations just yet! We need to understand the basics and limitations of geofencing before we implement our campaign. A typical geofencing marketing campaign is about 70% strategy and optimization and 30% execution.

Geofencing marketing will soon have 20 or more service providers, demanding USD 10,000 to USD 15,000 per month in minimum spends; therefore, developing a proper plan that understands your customer's buyer journey and your organization's core objectives is where we start. Here are a few questions you can ask yourself in the beginning, what are your core objectives?

- Are you trying to drive foot traffic to your store?
- Are you trying to get more phone calls?
- Are you trying to increase brand awareness for an event or your products?





When your core objective is locked down, the next step is to understand the factors that will impact your geofencing marketing campaign.



# Factors to consider while building your Geofencing Marketing campaign

With over 100 variables to consider while building a proper geofencing strategy, here are a few major factors to consider before deploying your geofencing marketing campaign:

- **Number of Geofences**

You may have a limited budget for your campaign and you wouldn't want to spend across too many geofencing locations if you're not spending a lot on the ad budget of the campaign itself. A good rule of thumb is 10-15 geofencing targets for every \$1,500 per month you spend on geofencing advertising.

- **Recency or Time within the audience pool**

The recency of your audience is based on the product or service your selling. A retailer looking to attract tourists who may be in town for 2-3 days would set recency for a shorter period of time. Recency is extremely important as an optimization tool for your geofencing marketing campaign, as it will help you reach more users and efficiently spend your ad budget.

- **Figuring out customer hang out spots**

Whether it's car dealerships, medical or healthcare locales, restaurants or malls, figuring out your customer's persona is important to estimate where they will be when they want to make a purchase decision.

- **Size of the Geofences**

If you're targeting a building, don't forget to target that building's parking lot as well. Don't make your geofence too small. Big geofences, however, will attract unwanted traffic, so you might need to constantly optimize the size of your net.

- **Behavioral and Demographic Data**

Layering behavioral and demographic data will allow you to efficiently target your audience. For example, a luxury store would focus only on a subsection of the demographic to limit waste and focus on buyers who can most likely buy their expensive products.



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ADVERTISEMENT OPPORTUNITIES  
FOR YOUR BUSINESS**

**SCHEDULE A MEETING**



Content in any marketing campaign is an important factor to consider, even in a Geofencing marketing campaign.



### **Variables to consider while building a proper geofencing strategy**

There are many aspects that one needs to think through while building a proper geofencing strategy which is a good combination of target channels, type of CTAs, and time periods

- **Static vs Video vs OTT**

When deciding what creative assets you would like to use, you can either go with static creatives, videos or target OTT or Over The Top Devices such as the Amazon Fire and the PlayStation 4. When you're building your geofencing strategy, you can either go for an ad mix or choose one creative type to go with.

- **Standard vs Click-to-Call Geofencing**

With Geofencing marketing you can funnel traffic to a landing page on your website or have potential customers use click-to-call ads. With the latter, a phone number will be displayed to the user after they click on an ad. These types of geofencing campaigns work for companies that are interested in lead generation in the form of phone calls.

- **Ongoing Geofences and Set Time Captures**

Geofencing marketing is done in specific periods of times depending on the service that is being sold. If you're trying to attract users who come for events, trade shows and conferences then the time period of the geofence must be set accordingly.

- **Ad delivery times and dates**

It's important to understand the pulse of a location or city. Days of the week can also play an important role in engagement, for example, weekends could mean more activity for a pop-up event, and so the geofence should be planned with that in mind.

Geofencing can work wonders if your campaign can be measured properly. If you don't measure your KPI's then you won't know if your strategy worked or not.







## Geofencing Strategies based on Industry

- **Trade Shows and Events**

The best geofencing strategy for tradeshow and events is to target the right people with a compelling message and send them to an engaging landing page. Your strategy should include brand awareness, IP Address targeting of the event, geofencing, site retargeting and few more tactics to constantly ping event attendees for the period of the event.

- **Retailers and Restaurants**

Geofencing malls are a great way to get traffic to your storefront. Parameters to consider for stores is which days foot traffic is high at the mall. A 1 day or 2-hour recency is a great strategy to maximize reach. Increasing the frequency cap from 4 to 16 ads served per day, per person is also a good way to achieve better results.

- **Service centers**

Whether you're a car dealership, or a laptop service center, geofencing for this sector is a little more complicated. Competitive conquest or geofencing your competitors is a strategy that works really well for car dealerships. A smaller budget may also help in this industry to reach and target more people.



With multiple campaigns running simultaneously keep track of your KPIs to tell which campaign deserves the majority of your ad spend.







## **How do I leverage other marketing channels with Geofencing?**

When you combine geofencing with other marketing channels, you can create a marketing cocktail that helps you do hyperlocal targeting and at the same time create brand awareness.

Facebook Advertising, for example, you can leverage geofencing coupled with Facebook to increase the number of times your ads are seen across multiple digital channels and ultimately increase click-through rates across both mediums because the user has repeatedly seen your ads and is now interested. And since Facebook Advertising is also coupled with Instagram, you hit two birds with one stone!

If you're looking at a more traditional offline channel such as TV, Radio, and Billboards, you can use geofencing to grab more users.





# How much is all this going to cost me?

## Here's how to go about it:

- USD 2,000 to USD 3,000 per month - If your geofencing budget is within this threshold then you may need to lower the frequency caps or the geofencing targets so that your ad budgets achieve maximum reach.
- USD 20,000 to USD 100,000 per month - If you have a large budget like this, then be wary of spending it all on experiments and testing. Many marketing agencies fail to utilize large budgets efficiently. Give your marketing partner micro-targeted strategies that will translate into improved brand awareness and more sales, revenue and improved attribution across your preferred digital channels. Keep milestones to ensure that your budget is being used properly.

We recommend for smaller companies to consider a minimum monthly budget of USD 1,500 per month, and for large companies to consider a monthly budget of USD 5,000 to USD 20,000 per month. These are conservative budgets that will help you drive brand awareness and also see results from geofencing marketing campaigns.



## What else do I consider?

A holistic programmatic display and geofencing campaign is the way to go. This lets you target anyone at any time on any device and reaches your target demographic based on metrics such as intent, interests, search history, webpage history, and physical location. A good way to split your budget up is to use 60% of the budget for geofencing and 30% to search retargeting. And finally, 10% should be dedicated to site retargeting. With such a comprehensive strategy you're bound to have a successful campaign

## Standard geofencing

This allows advertisers to target users in precise areas such as building, retail locations, their mobile devices, tablets, and desktops. The ad is served to users who walk into your geofence have their location services on their devices turned on. You can target such users for up to 30 days.

## Household geofencing

Here we target household addresses, using plat line coordinates of each home and build a geofence around it. If you have a list of addresses from your CRM, you can use this powerful tactic to serve ads.

## Search retargeting

As mentioned above, search engines are a great way to figure out your user's intent. Use a list of keywords that are relevant to your business, and build geofencing campaigns around them.

## Site retargeting

This is the most successful tactic on this list. This strategy allows companies to target people who have been to your website and then left. It is said that companies are more likely to yield an action from someone if they were site retargeted versus not.

# Geofencing has the potential to revolutionize your digital marketing campaign.



For more digital marketing tips on geofencing and it's uses in India.

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