



Technologies change equation for local product sourcing

By Christopher Hosford

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All b-to-b companies have headquarters, but many also have multiple sales and service locations. Indeed, a central challenge to companies intent on marketing through sales channel resellers, their own outlets, franchisees or far-flung service centers has been effectively seeking out, and being found by, prospective customers.

In response, local search technology has gotten more sophisticated, and more complex.

"It's all about empowering brands that are national or international in nature but that want to market locally," said Gregg Stewart, senior VP at TMP Directional Marketing. TMP, one of the largest local search marketing agencies, has witnessed the evolution of local search, beginning with ads in local Yellow Pages listings and continuing through to today's digital search sophistication (including accurate Internet mapping technology).

There's a close connection between local search and direct marketing. ComScore Networks has estimated that when products are researched online, 63% of researchers actually buy from a local reseller offline.

"That's major for b-to-b advertisers, because if they're just measuring clickstreams, they may be missing a valuable component of their marketing outreach," Stewart said.

Sourcing local suppliers includes the normal use of keywords, industry niches and product names, as well as local geographical information that can be as simple as a city, neighborhood or even ZIP code.

Today's local search capabilities also include placing ads on the major search engines, often based on keywords and behavioral Web activities, Internet Yellow Pages and microsites related to major branded sites.

When local search results return microsites or ads that feature special offers, the direct marketing connection becomes even more obvious.

Digital usage grow The ground has shifted dramatically when it comes to local search. According to a July 2008 report by Borrell Associates, "Say Goodbye to Yellow Pages," print Yellow Pages directories are expected to lose 39% of their annual revenue over the next five years. The reason is driven directly by how users of the Internet research their purchases.

"We have clients looking to cut millions of dollars per year in print Yellow Pages advertising," said Dan Hobin, CEO of G5 Search Marketing, a local search technology company. "The issue becomes when to cut, as you don't want to cut too soon."

G5 earlier this month released an analytics tool connected to its local marketing platform to help advertisers with multiple locations shift from local Yellow Pages to online advertising. It conducts predictive analytics on how many customers will be lost by eliminating print directory ads versus customers gained through other channels.

The landscape is filled with smaller companies specializing in connecting business purchasers and local suppliers. And predictably, social media is getting involved.

“People don’t go to Web sites anymore; Web sites come to them,” said Chris Baggot, CEO of Compendium Blogware, whose software helps companies set up employee blogs that can be discovered more easily by viewers using local search.

Compendium enables corporate bloggers to label their blogs in several ways, including vertically, geographically, by product and by topic. Encouraging employees to blog—and setting up those blogs by industry and interest area so that they can be found locally—plays into a basic human desire, Baggot said.

“This is saying, ‘Our company is full of human beings,’ and business searchers want to find people who want to solve their problems,” Baggot said. “The concept of the long tail plays best locally.”

Another company, WebVisible, offers software that matches local businesses with customers who research purchases via the major search engines. Its technology, based on identifying computer IP addresses, places locally oriented banner ads, sponsored link ads and audio or video ads on search results pages.

“It’s not really about search,” said Carey Ransom, VP-corporate development and strategy with WebVisible, in discussing what Web users expect from their online research. “It’s about find.”

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