

Location, location: Everything you need to know about location-based advertising

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Location-based advertising is a buzzword that has been doing the rounds for some time, but is still a fairly new concept in the realm of out of home (OOH) media in South Africa.

Remi du Preez, commercial director at Tractor Outdoor, says that local advertisers have yet to realise its full potential. "Location-based advertising affords you the opportunity to really refine your audience targeting.

"As an example, we recently partnered with a client on a campaign, and a key part of our deliverables was to ensure that we only served digital out of home (DOOH) add to consumers who subscribed to a certain cellular network.

"We observed the movements of consumers who entered the cellular network's physical store over a set period of time via their cellphones, which enabled us to segment our audience. Using a programmatic approach, we then ensured that we only displayed our ads when there was a high concentration of these store visitors in front of our digital billboards.



Du Preez says that as a result, the media owner was able to reduce 'wastage'; ensuring that the vast majority of store visitors were exposed to our campaign. "We were also able to remarket to those consumers via their mobile devices and social channels, creating a truly omnichannel experience."

Du Preez answers some of the most frequently asked questions about location-based advertising.

What is location-based advertising?

Location-based advertising is the application of using a consumer's location or history of visitations to understand what type of venues that person frequents – integrating advertising with location-based services to serve highly relevant brand messages.

What are its benefits?

For advertisers, location-based advertising allows you to be more effective in targeting those consumers who are more likely to be interested in your product or service. This reduces media wastage (serving adverts to the wrong people at the wrong time). Moreover, thanks to programmatic buying, these adverts can be served automatically and in real-time, when the right people are most likely to be receptive.

Does it infringe on privacy?

The short answer is no. All location-sharing settings are opt in, and even once activated, users are able to deactivate at any time, which will immediately stop their location being shared.

Even when location-sharing is enabled, no personal data that would allow the individual to be identified is ever shared - the data is anonymised before it is submitted to another party.

Is it best suited to a certain type of business?

Location-based advertising can benefit the vast majority of businesses. Any brand with a brick-and-mortar storefront would do well to consider location-based tactics as part of their marketing strategy, but e-commerce businesses will also see immense benefit in engaging location-based advertising as a key part of their DOOH strategy. Location-based advertising can effectively bridge the gap between the online and offline worlds, through serving an advertisement to a consumer on a billboard, which gains their awareness. The ad is then served on their mobile device, which becomes a portal to the ecommerce platform.

Concludes Du Preez, "Where a consumer visits indicates their interests and intentions. This is arguably more valuable to marketers than solely demographic-based data, such as race, age and household income.

"Through utilising location as the point of differentiation in marketing plans, we give brands much more targeted and intentional campaign delivery. With more local case studies released into the market, local brands are feeling increasingly comfortable with these concepts. They are starting to understand that there is a new set of analytics available, which allows them to be even more targeted in the DOOH space."

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