Why All Marketing Is Inherently Local

March 2016

PRIVATE AND CONFIDENTIAL

Why All Marketing Is Local

Person Level Data



Media Fragmentation


WIRED
The New You

Fundamental Disruption: A Move Away From Aggregated Data

20% more likely to buy

Women

Men



Sales Trend

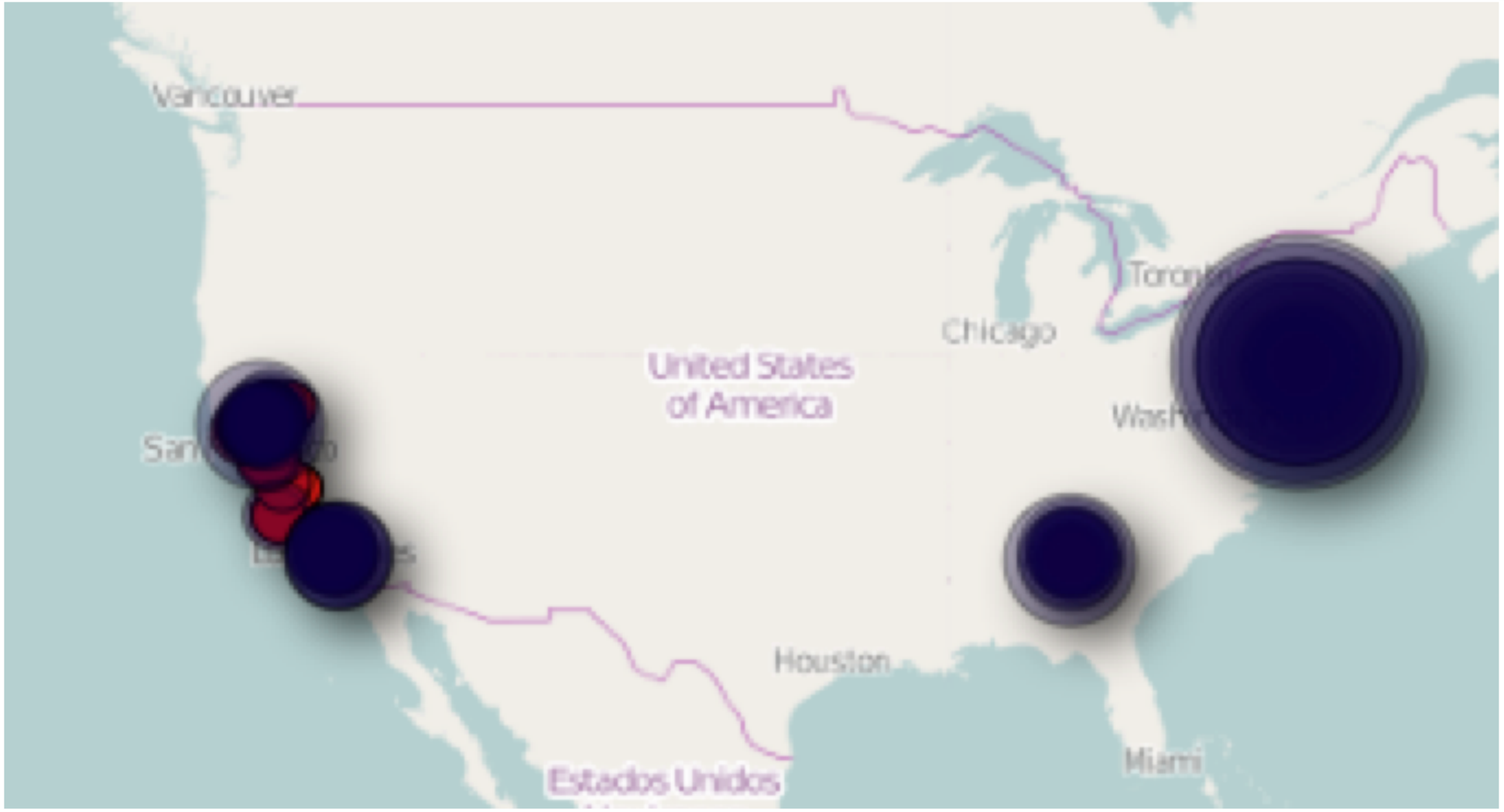
Advantages:

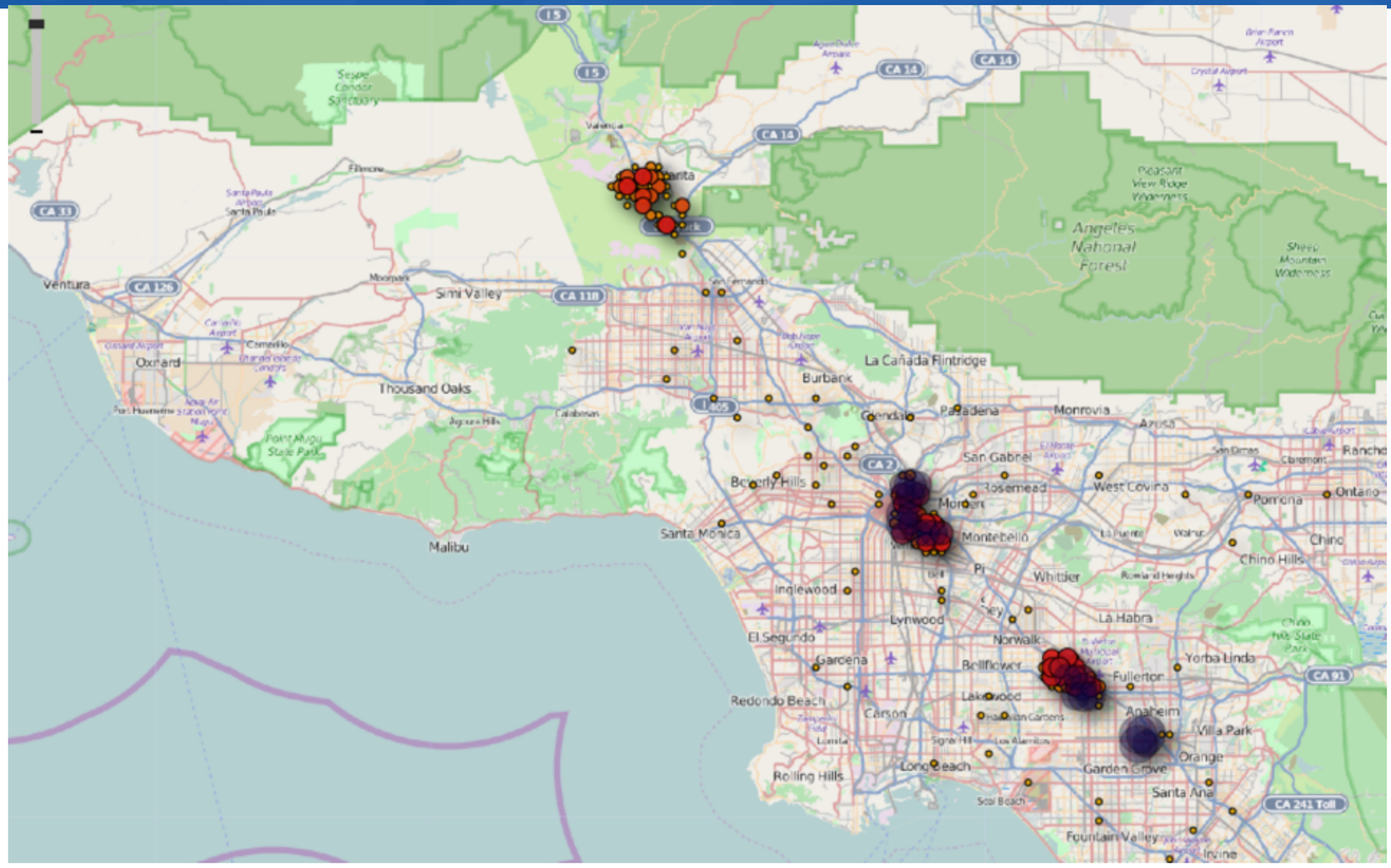
- Personal message relevance = reduction in wasted impressions and discounts
- Real-time decisioning = faster response to changing market dynamics

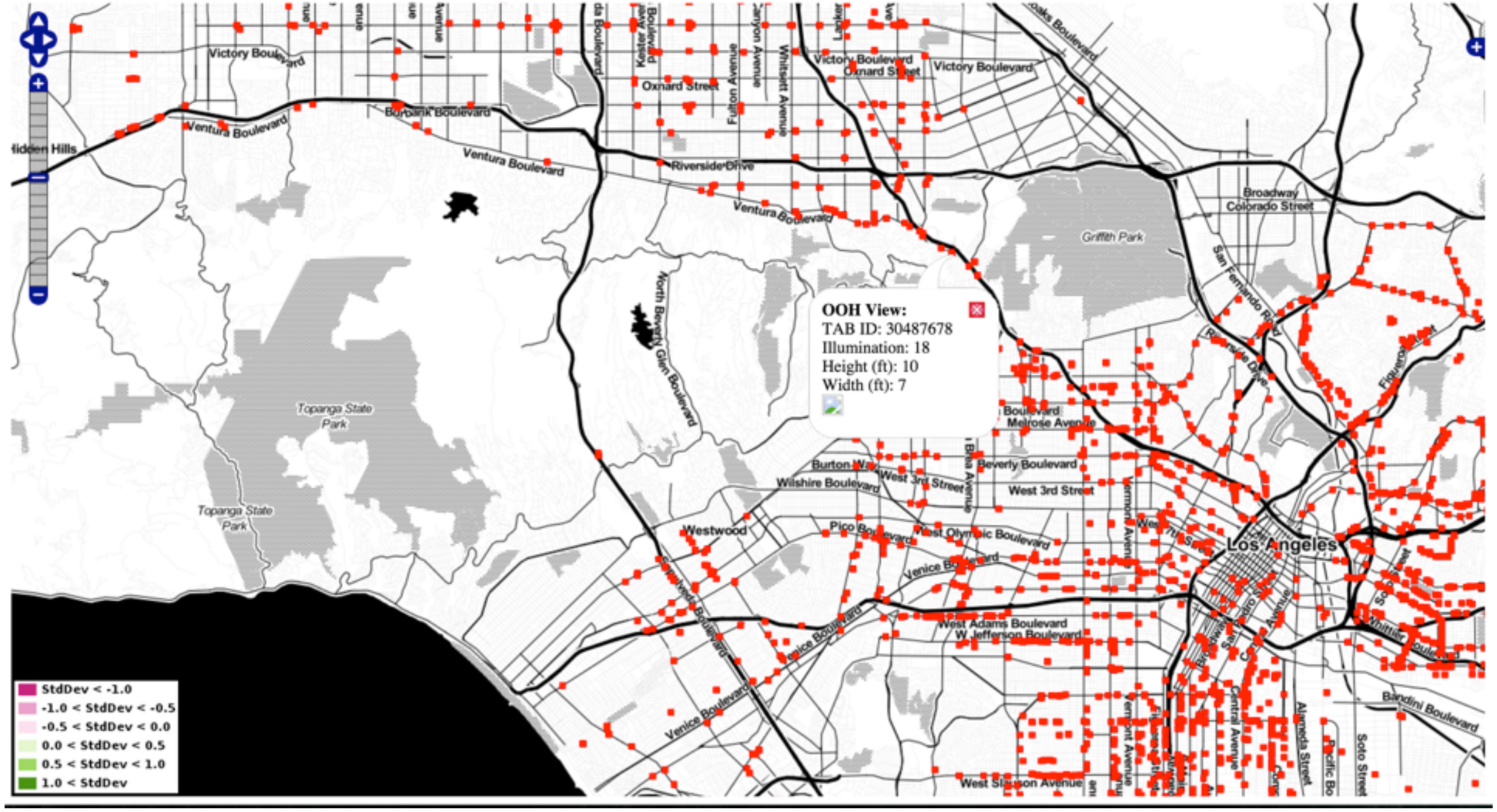


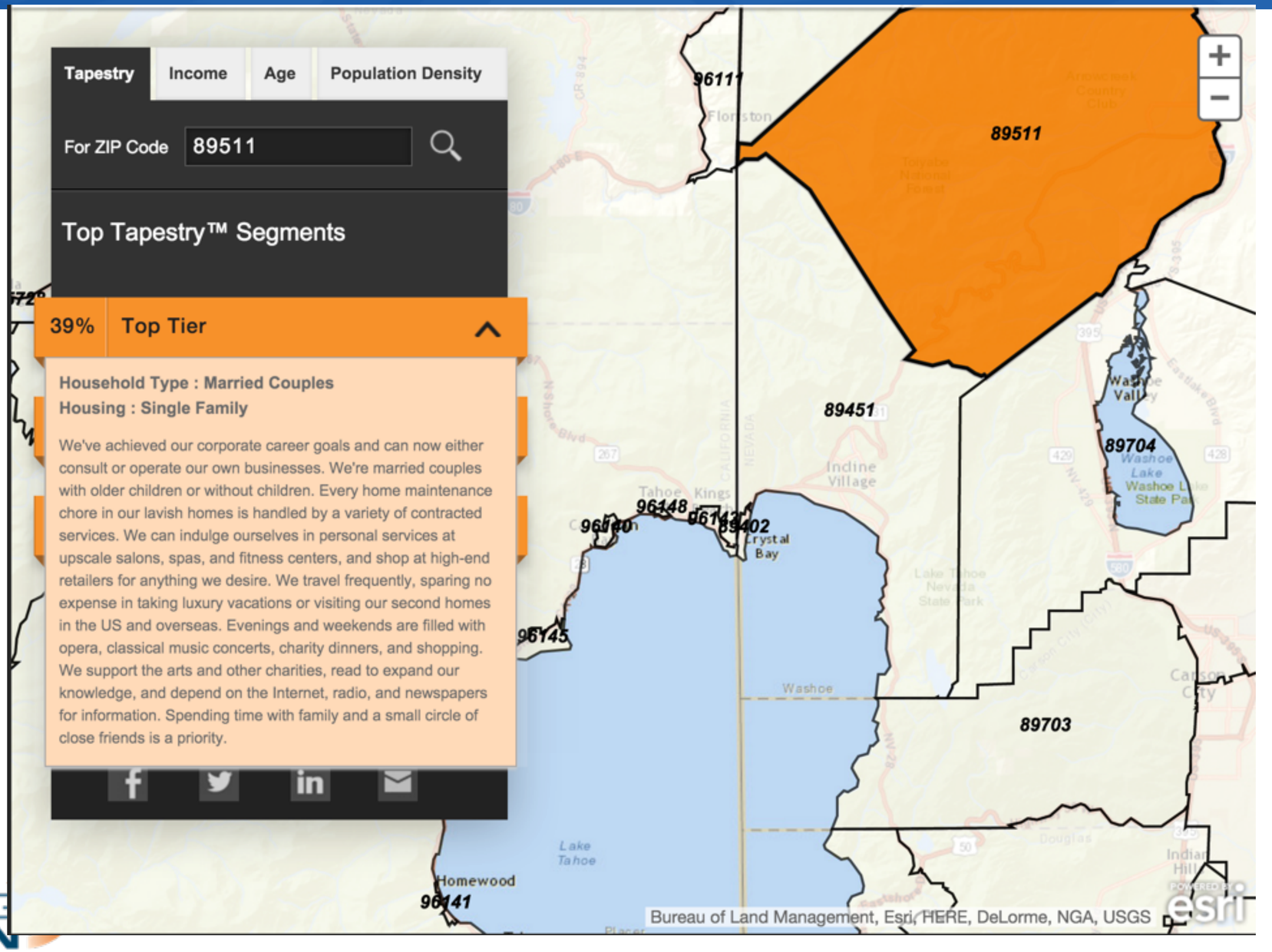
MARKETING EVOLUTION


Search
DMP
Social
Purchases
Store, Mobile, Call-Center, etc.
Media
Specific TV, Mobile, Radio, Magazine, etc.
Geo-Location
Brand Perceptions & Intent
Emotional Data

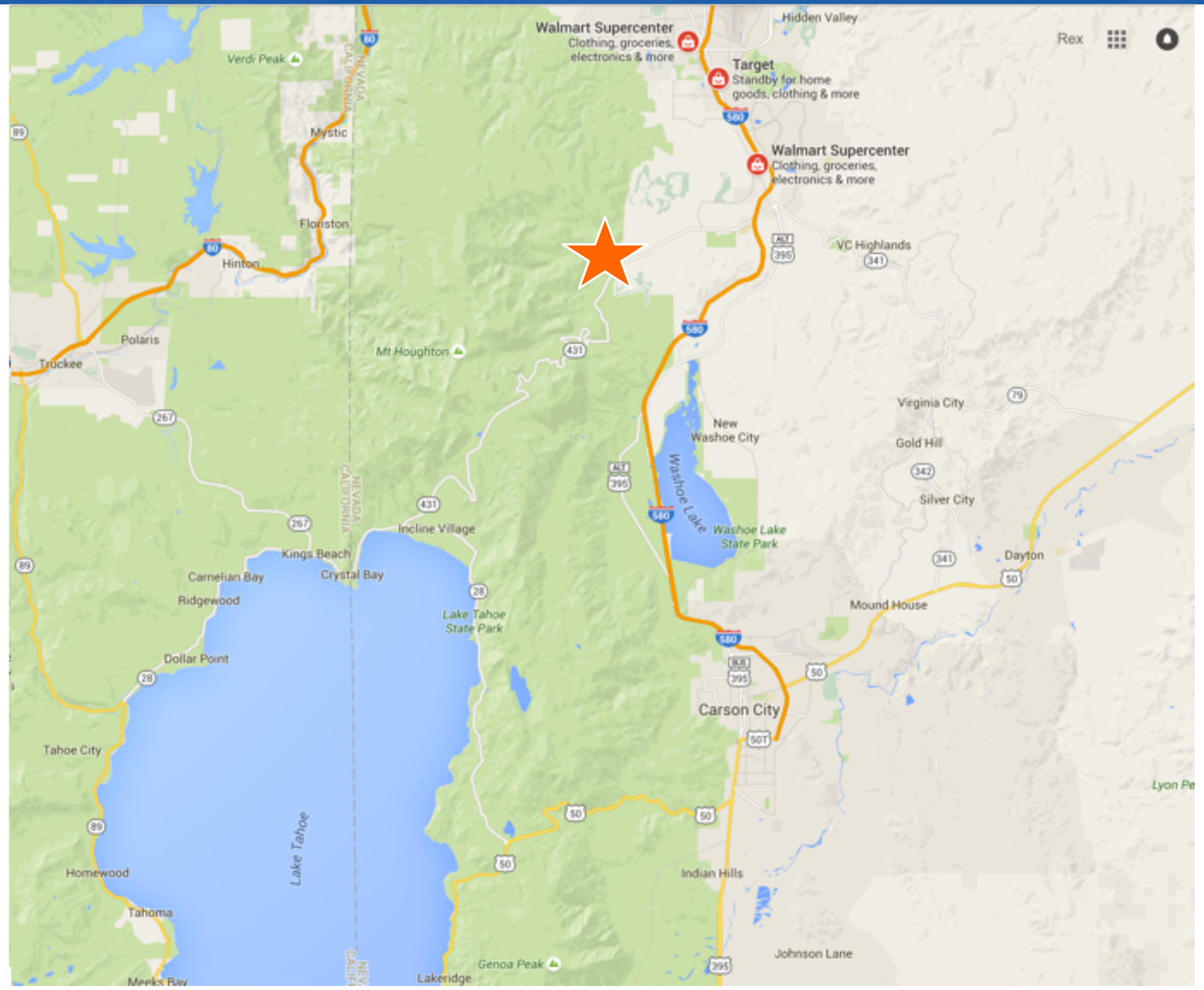

Vancouver
Chicago
United States
of America
Houston
Miami
Estados Unidos


Ventura
Oxnard
Thousand Oaks
Simi Valley
Malibu
Santa Monica
Beverly Hills
Burbank
La Cañada Flintridge
Pasadena
Monrovia
San Gabriel
Rosemead
West Covina
Montebello
Whittier
Inglewood
Lynwood
El Segundo
Norwalk
La Habra
Garcena
Bellflower
Fullerton
Yorba Linda
Redondo Beach
Carson
Anaheim
Villa Park
Orange
Garden Grove
Long Beach
Rolling Hills
Santa Ana
Fountain Valley
Irvine
Chino
Chino Hills
Pomona
Ontario
Angeles National Forest
CA 118
CA 126
CA 33
CA 14
CA 2
CA 91
CA 241 Toll
I 405
I 5

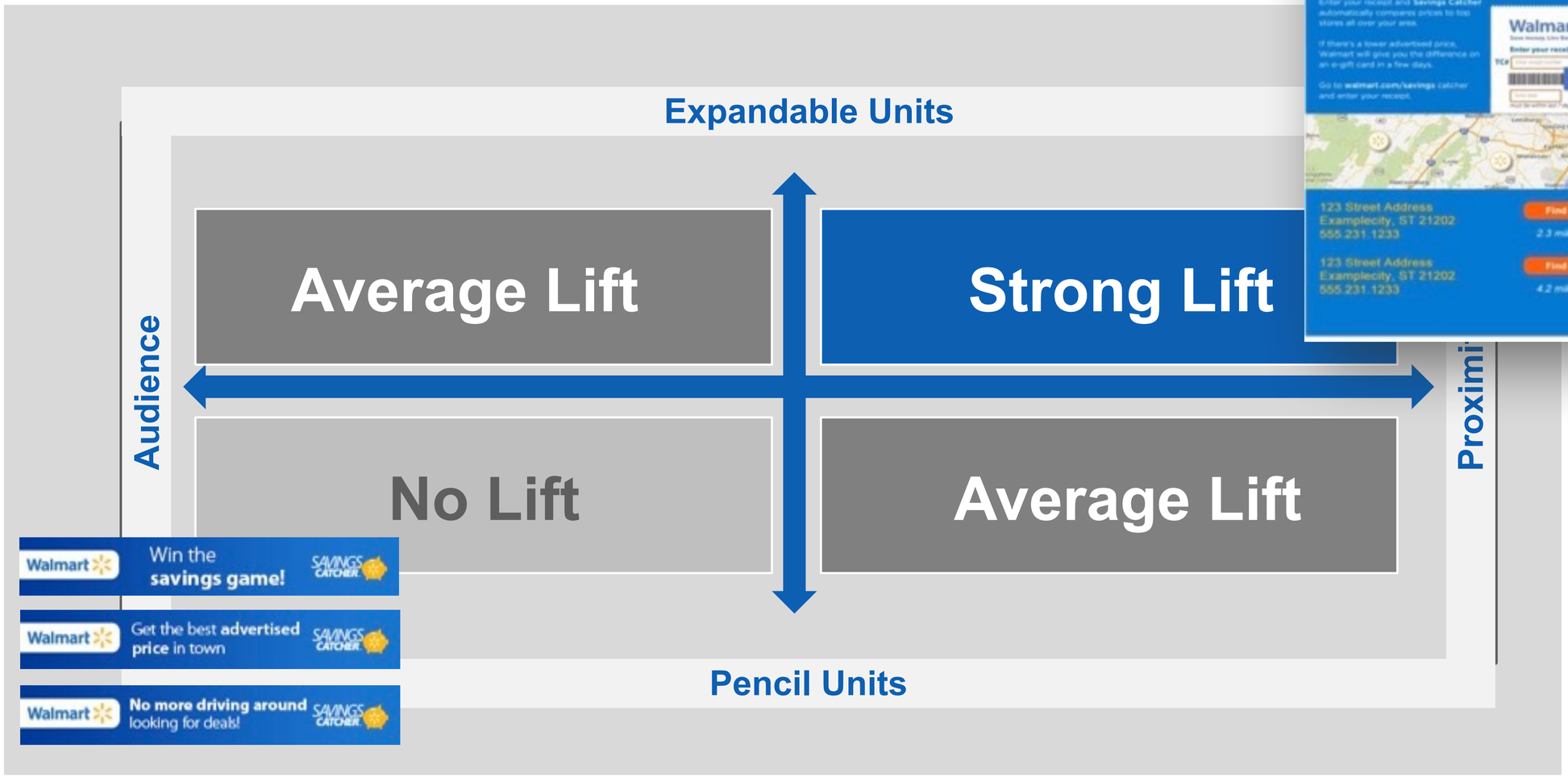

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Width (ft): 7
StdDev < -1.0
-1.0 < StdDev < -0.5
-0.5 < StdDev < 0.0
0.0 < StdDev < 0.5
0.5 < StdDev < 1.0
1.0 < StdDev
Victory Boulevard
Burbank Boulevard
Ventura Boulevard
Oxnard Street
Riverside Drive
Fulton Avenue
Whitsett Avenue
Kester Avenue
Hidden Hills
Topanga State Park
North Beverly Glen Boulevard
Griffith Park
Broadway
Colorado Street
San Fernando Road
Melrose Avenue
Beverly Boulevard
West 3rd Street
Wilshire Boulevard
Burton Way
Westwood
Pico Boulevard
West Olympic Boulevard
Venice Boulevard
Los Angeles
West Adams Boulevard
W Jefferson Boulevard
Vermont Avenue
Central Avenue
Alameda Street
Soto Street
Bandini Boulevard
Whittier Boulevard
West Slauson Avenue


Tapestry
Income
Age
Population Density
For ZIP Code
89511
Top Tapestry™ Segments
39%
Top Tier
Household Type : Married Couples
Housing : Single Family
We've achieved our corporate career goals and can now either consult or operate our own businesses. We're married couples with older children or without children. Every home maintenance chore in our lavish homes is handled by a variety of contracted services. We can indulge ourselves in personal services at upscale salons, spas, and fitness centers, and shop at high-end retailers for anything we desire. We travel frequently, sparing no expense in taking luxury vacations or visiting our second homes in the US and overseas. Evenings and weekends are filled with opera, classical music concerts, charity dinners, and shopping. We support the arts and other charities, read to expand our knowledge, and depend on the Internet, radio, and newspapers for information. Spending time with family and a small circle of close friends is a priority.
96111
89511
89451
89704
96148
96140
89402
96145
89703
96141
Lake Tahoe
Homewood
Bureau of Land Management, Esri, HERE, DeLorme, NGA, USGS

Walmart vs. Target



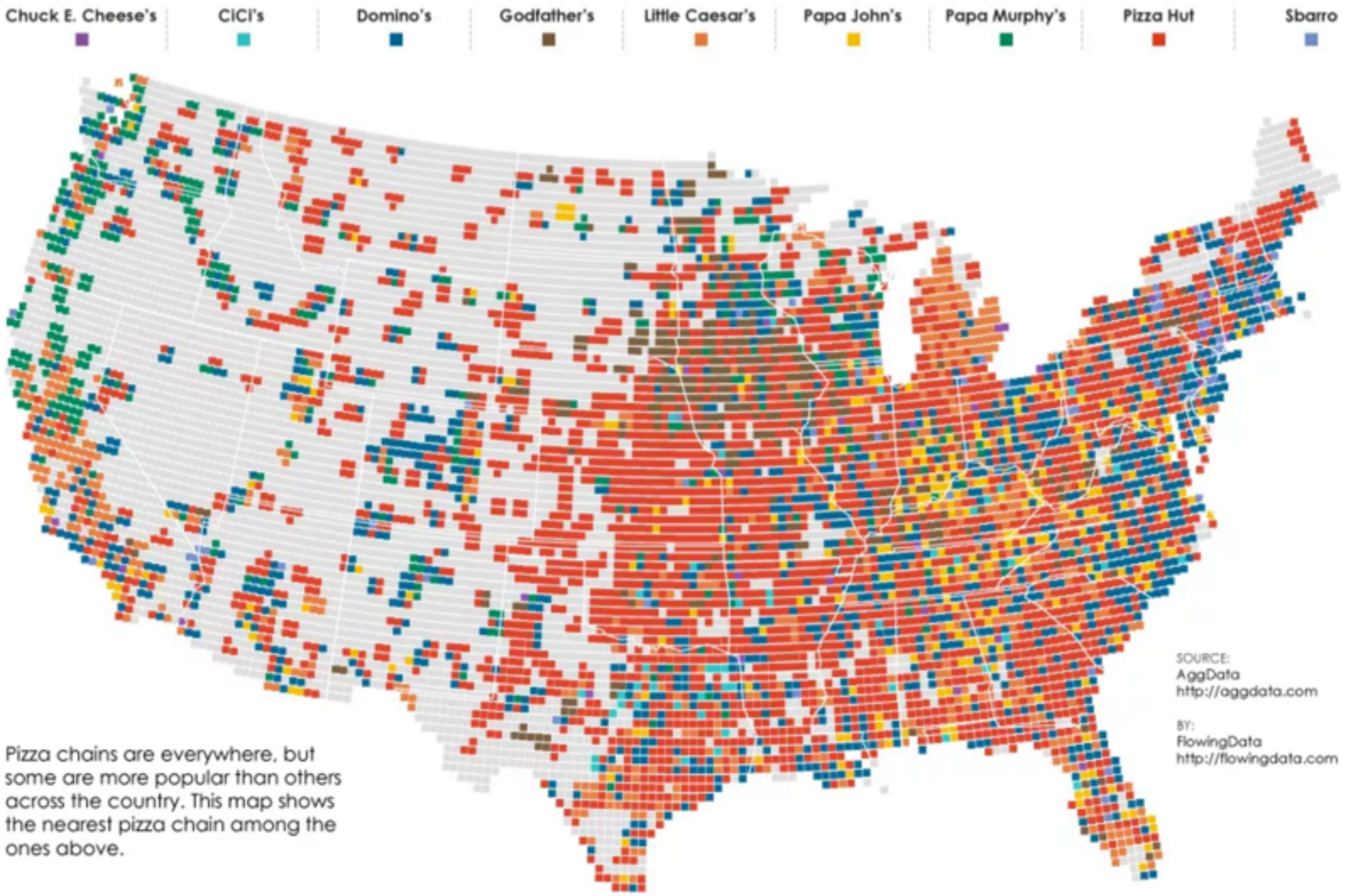
Proximity targeting + expandable units = strongest lifts in foot traffic



* Statistical significance at 95%
Sources: Walmart Savings Catcher – Combined Publisher report; Walmart Savings Catcher Sub-Segment Performance
Findings on in-store purchase behavior to come

Pizza Convenience Index

Chart shows which chain has the closest location



Context Targeting can add significant value

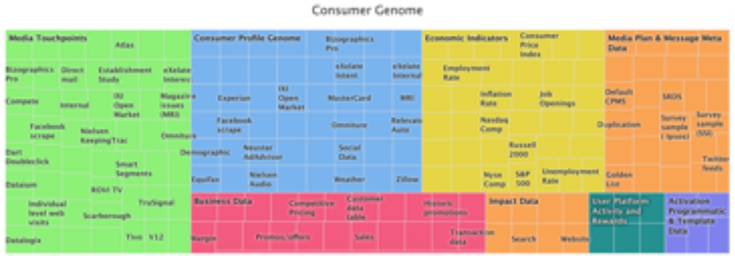
	Day of the week*	Time of Day**
With targeting	130	1290
Without targeting	100	100

Weekday vs. Weekend targeting
Time of the day targeting for industry with Strong Time of Day Dynamic

All Marketing Is Local



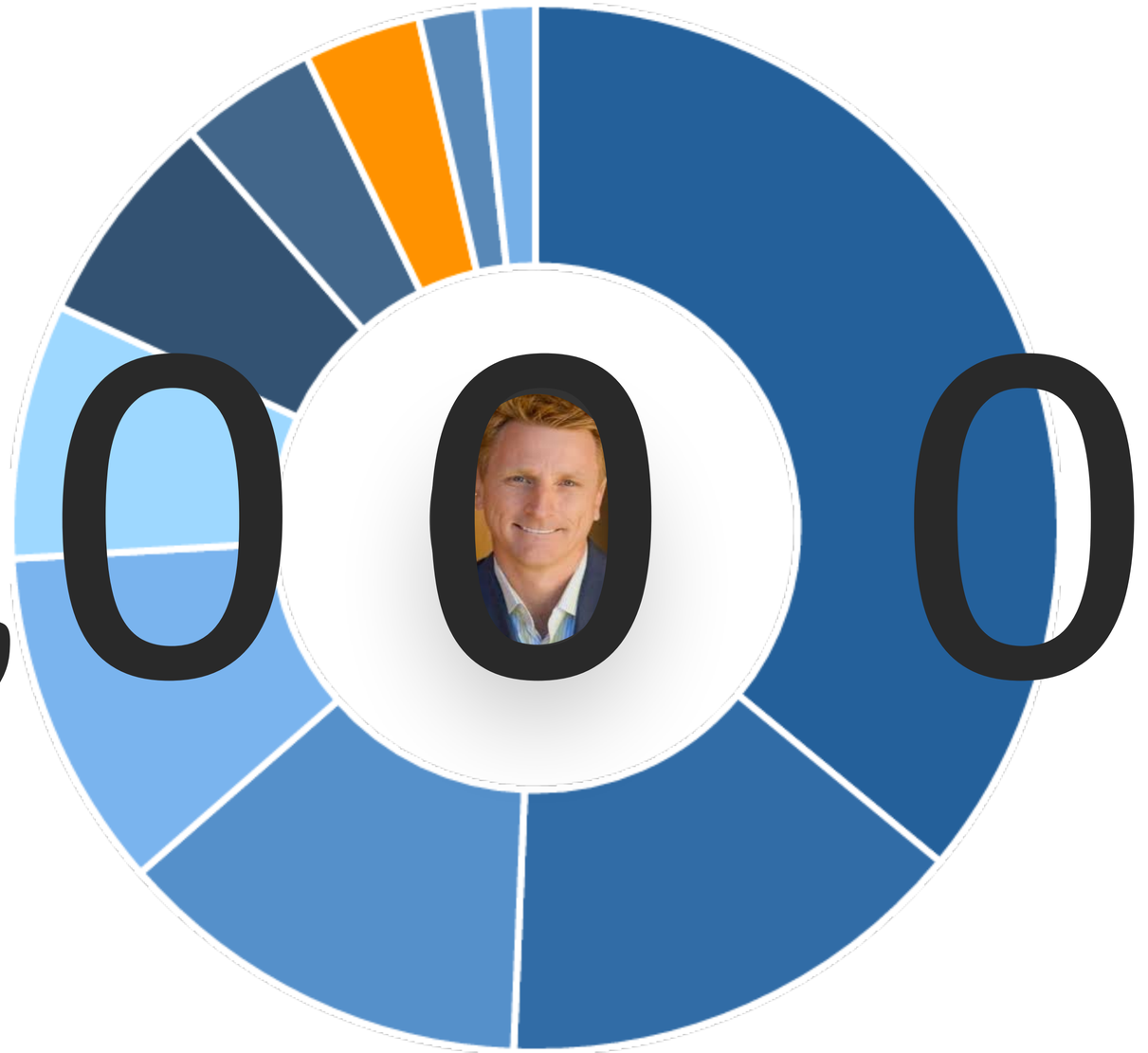
Person Level Data



Media Fragmentation

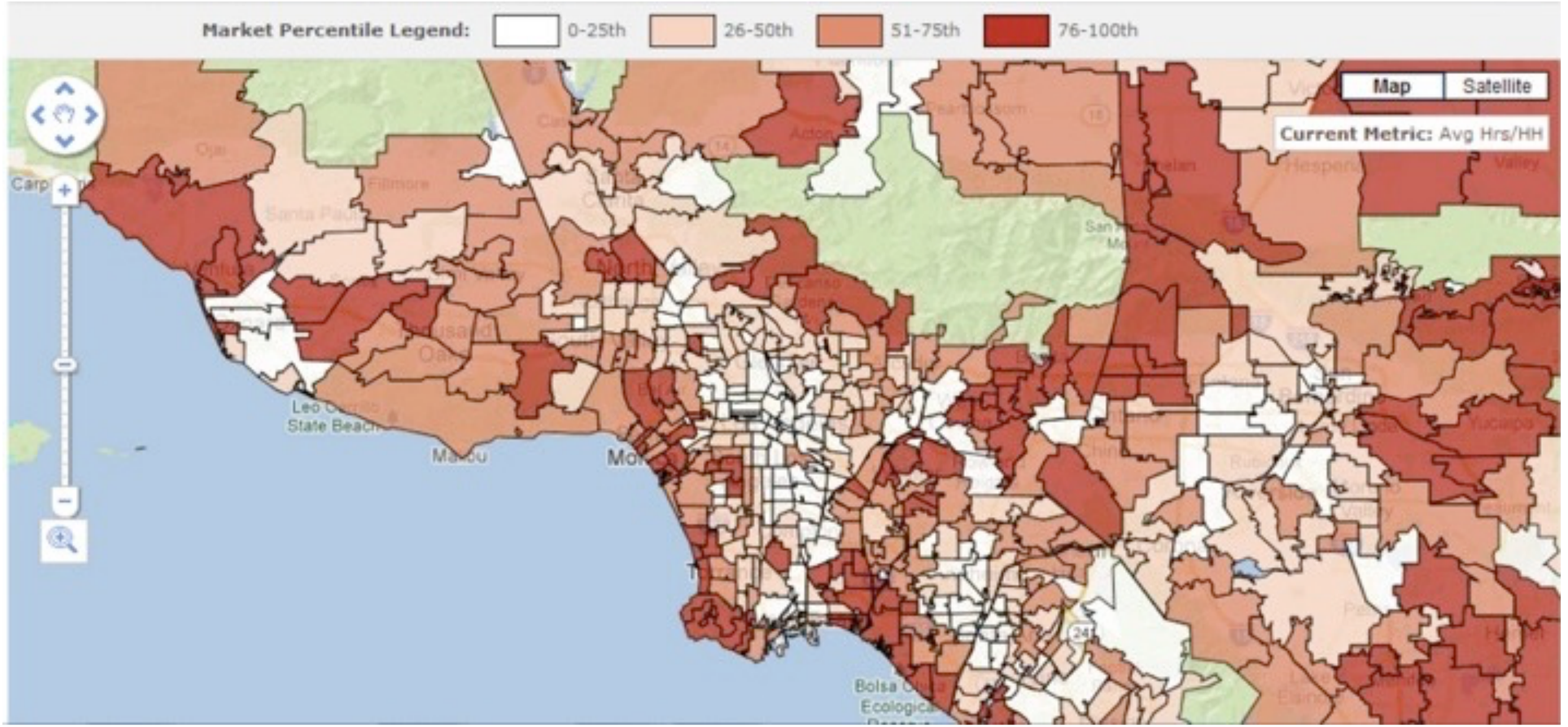
Attribution & ROI

5,000



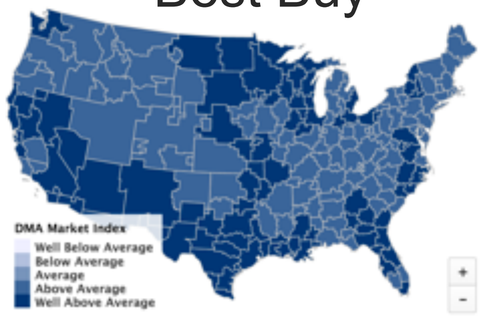
EVERYTHING IS LOCAL

ABC, Los Angeles, Prime 8pm-11pm

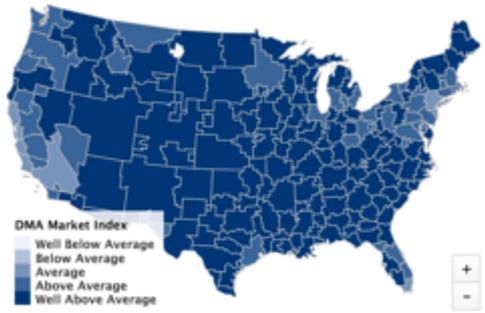


Density of Store Locations by DMA
Source: Marketing Evolution

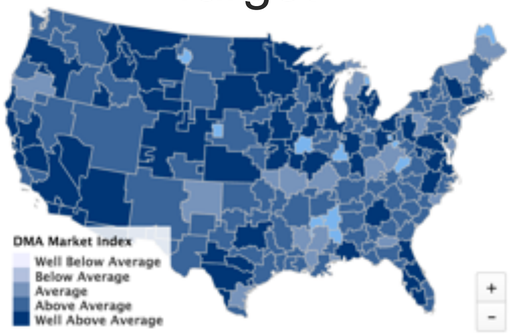
Best Buy



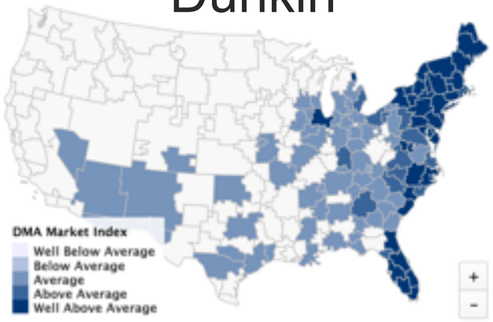
Walmart



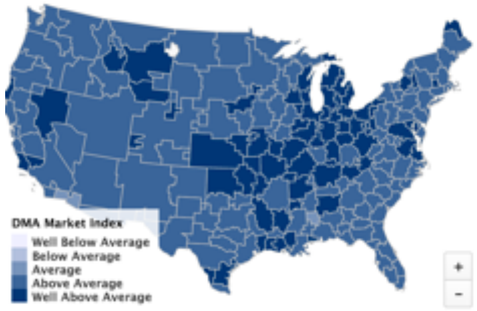
Target



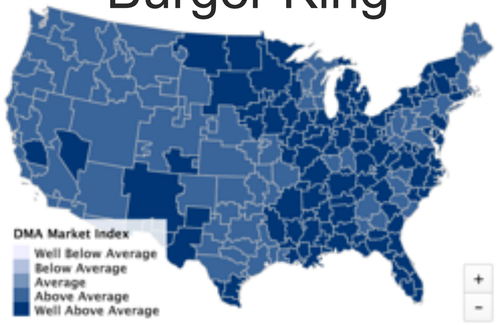
Dunkin

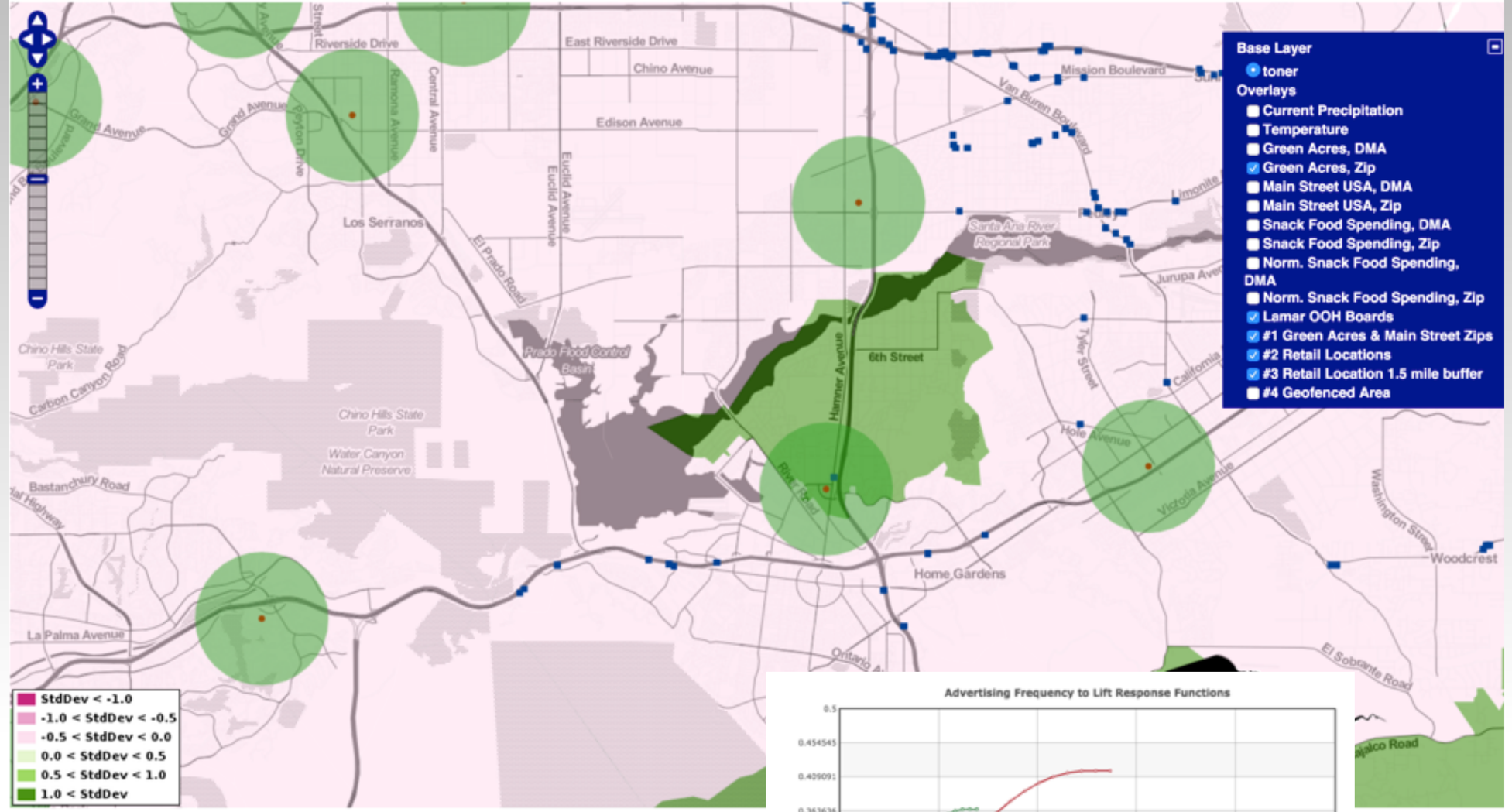


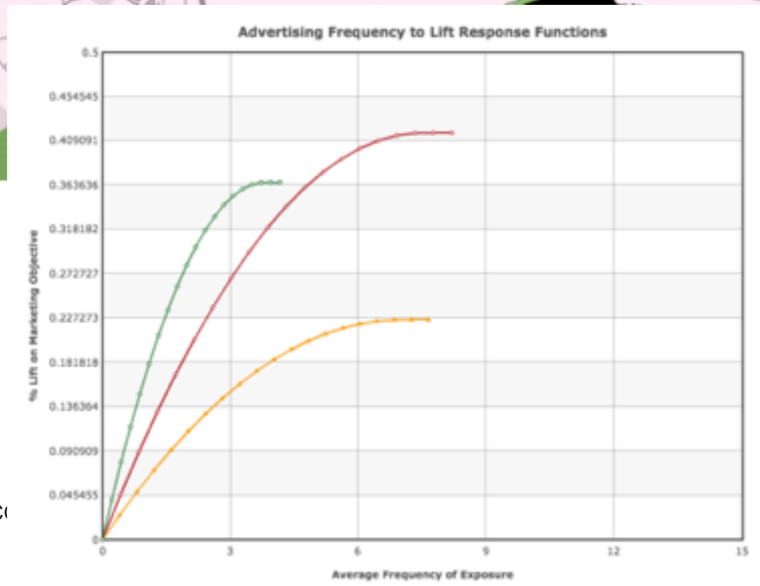
McDonald's



Burger King







Audience + Impact Optimization

MARKETING EVOLUTION

PRIVATE AND C

The Opportunity

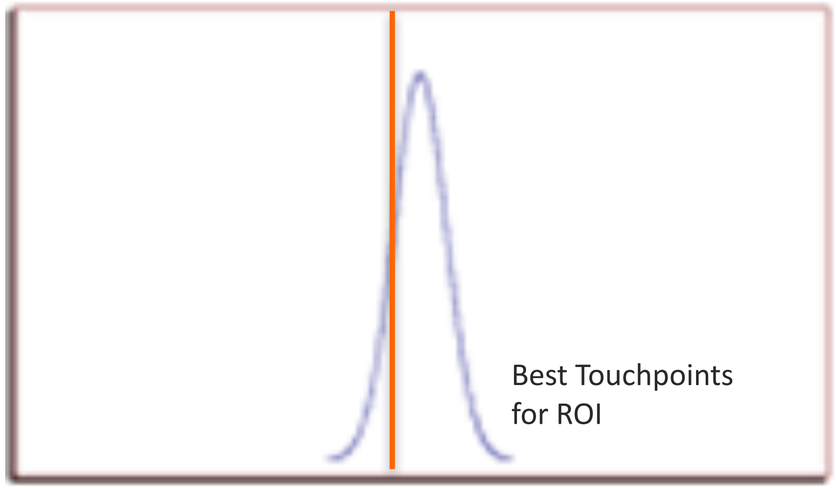
Embrace Fragmentation

Go Local

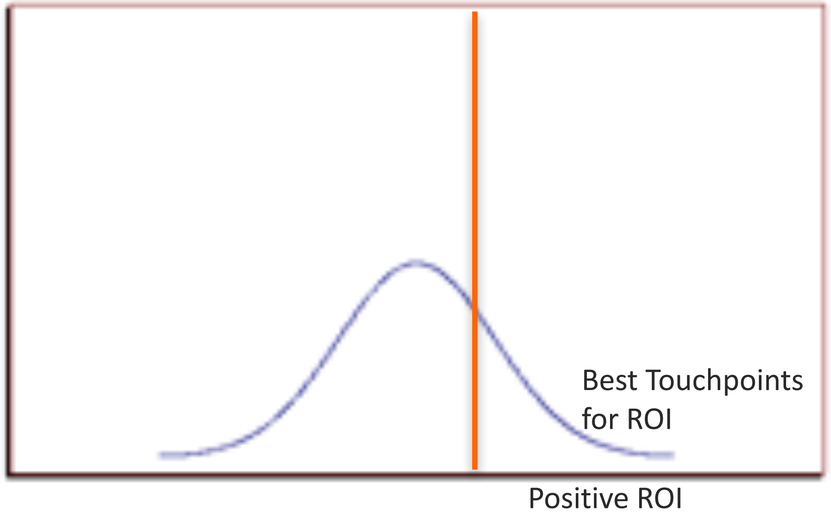
Get Personal

Why We Need To Embrace Fragmentation & Go Local / Personal
The Nature of Advertising Effectiveness Has Changed

1996



2016



Stupid Simple National Buys By Demo ➔ *Complex National & Local Optimization*

Using the mobile toolkit to improve results

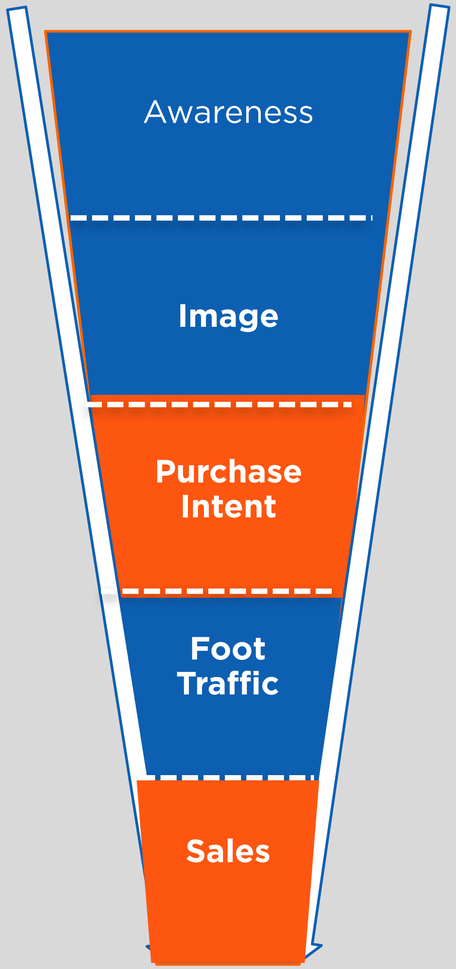
FORMATS	CHANNELS	TARGETING	CREATIVE
Audio Video Display Rich Media Native Coupons	Websites Apps Push SMS/MMS Social Search Email	Audience Context Day part Location Weather Programmatic	Dynamic Integrated Closed loop to payment

Mobile Video improved results for Coke.
Manage frequency or rotate creative

	Price	Effectiveness at High Frequency
Mobile Video	320	350
Mobile Display	100	100

Better ROI!

4. Walmart wanted to drive Intent and sales for Back to School grocery



MEASUREMENT PARAMETERS

TARGET:

Moms **18-49** with school kids

DATA COLLECTION

7/14 ⇨ **9/14**

2014

TV





DIGITAL



MOBILE



FSI

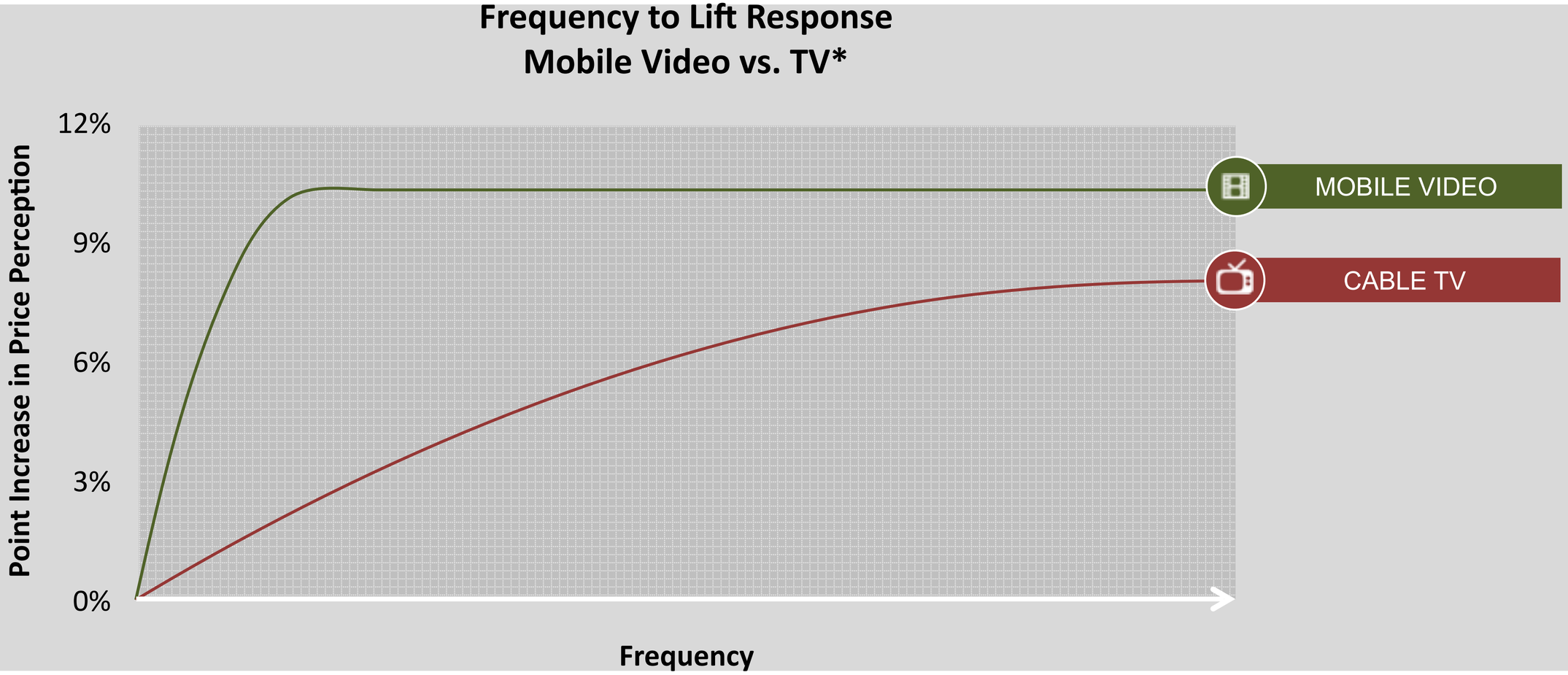
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MMA


Walmart

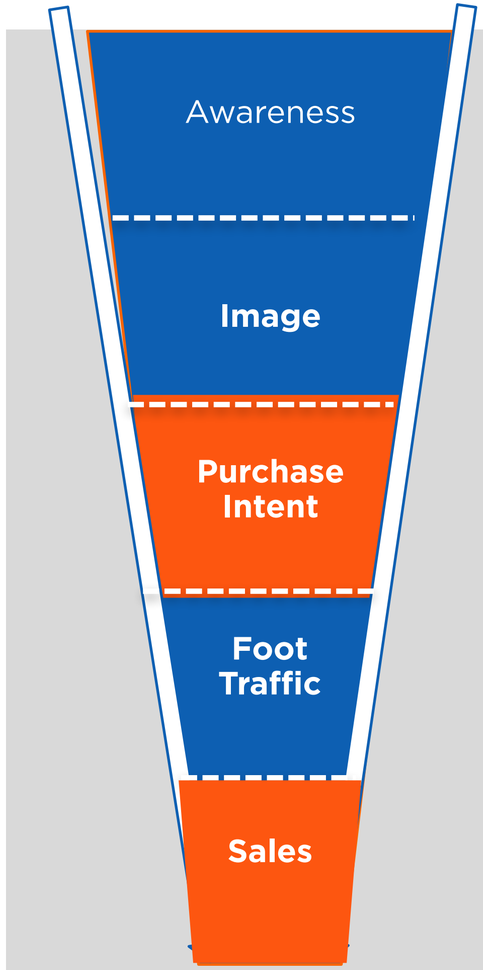
With the same creative, Mobile Video had more impact than video on other platforms

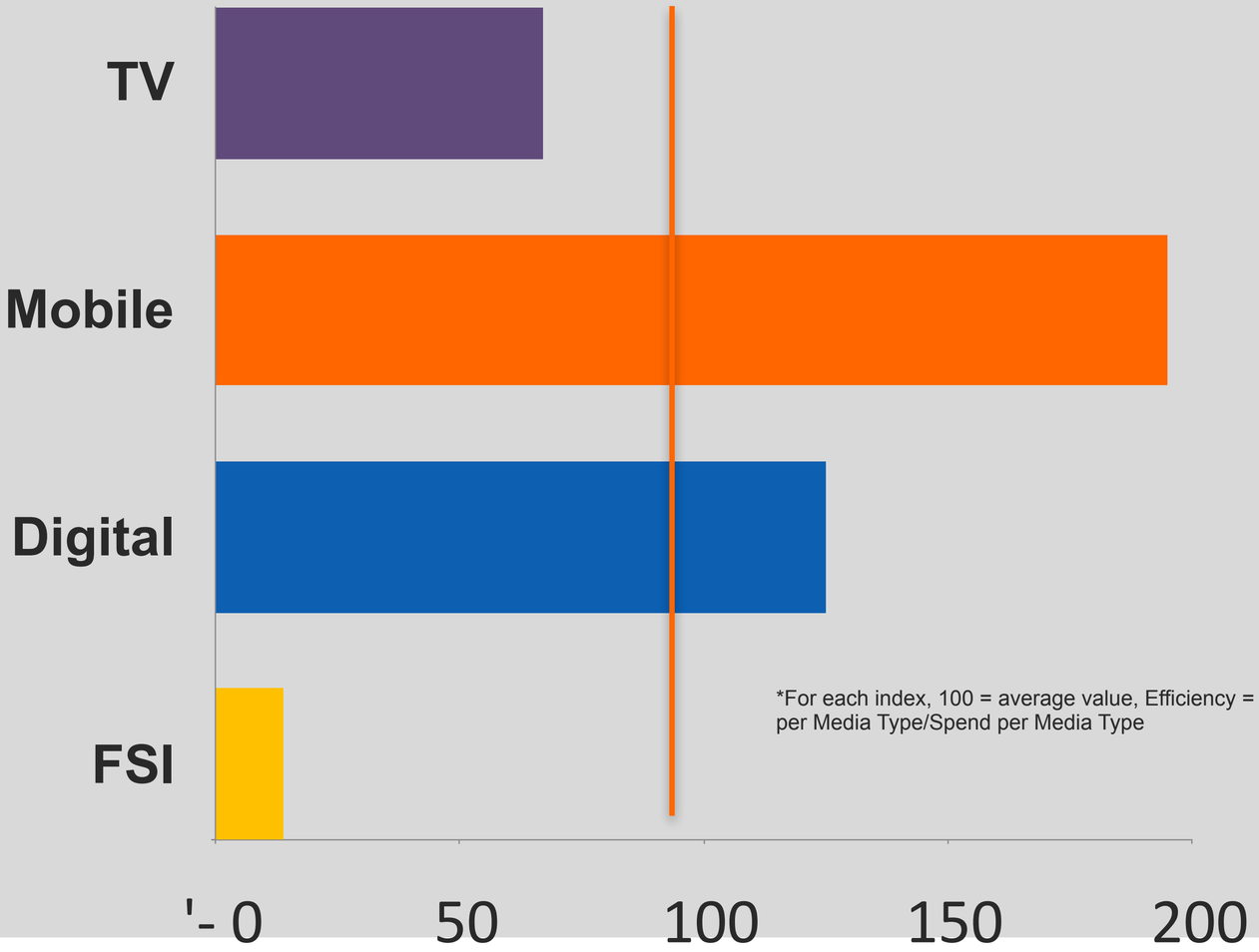


ce: Walmart SC Survey; Data Collected from: 8/4-9/28

Mobile was the most EFFICIENT DRIVER of actual sales

Walmart





*For each index, 100 = average value, Efficiency = Sales Impact per Media Type/Spend per Media Type

MARKETING EVOLUTION

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MMA

The Opportunity

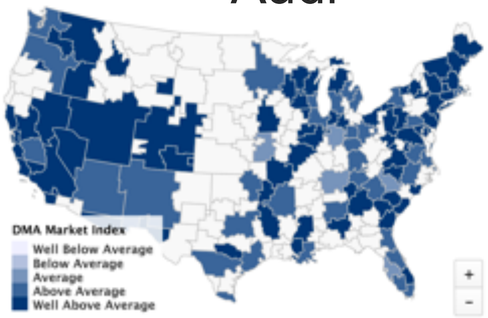
Embrace Fragmentation

Go Local

Get Personal

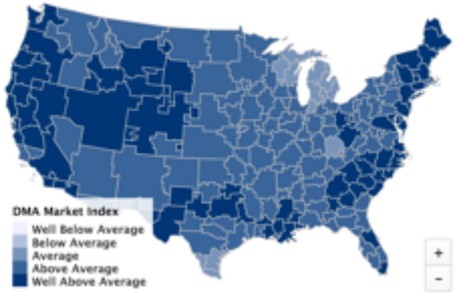
Customers & retail locations highlight why location targeting matters

Audi



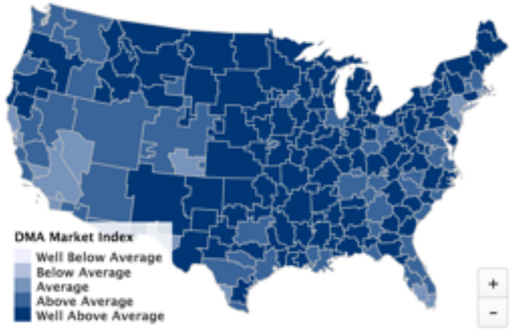
Your Customers

Honda

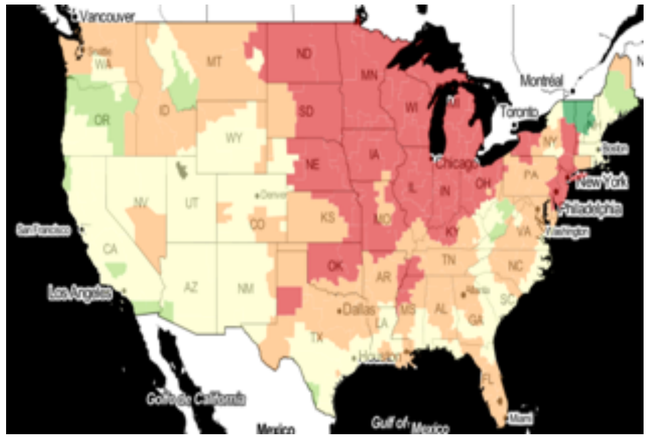


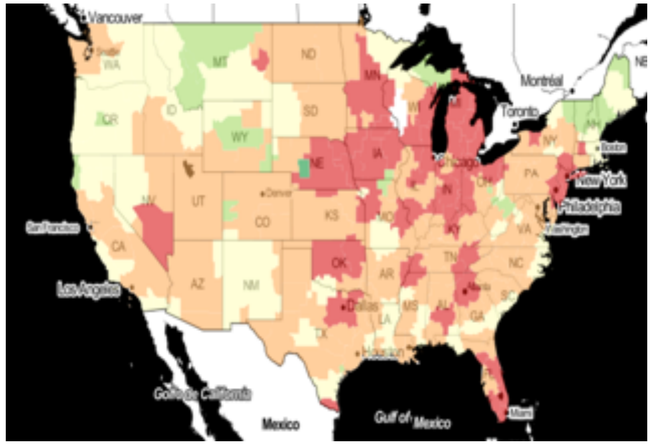
Where They Buy Your Product

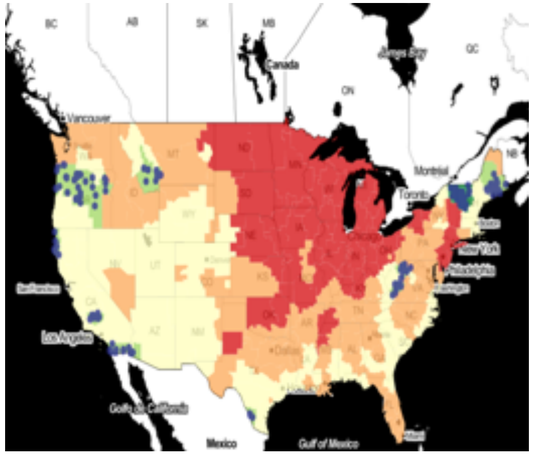
Ford



Your Optimal Ad Footprint







Example: Auto brand

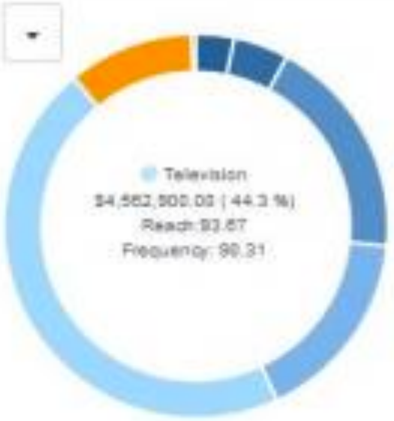
AdvertisingAge



Hey, ANA: Monica's Coming For You and She Knows Who You Are, What You Spend

By: Jack Neff on October 14, 2015

Budget Allocation



Executive Summary

Overview:

Total Budget	$10,300,003
Total TRP:	1,787
Duration (number of weeks)	8

People Impacted on All Objectives:

Purchase Intent:	3,823,800 (4.0%)
Incremental Sales:	1,911,900 (2.0%)

Media by Category

Detail: Less | More | All

Show 25 entries — Search:

Media	Spend	% of Spend	Reach	Frequency	TRPs	Attributed Impact
Television	$4,562,900.00	44.3%	93.67	90.31	8459.74	784122.00
Print	$1,730,400.00	16.8%	82.58	46.52	3842.19	352727.00
Digital	$1,411,100.00	13.7%	43.32	9.26	401.38	262005.00
Digital - Mobile	$1,112,400.00	10.8%	29.53	4.68	138.20	69006.40
Radio	$803,400.00	7.8%	95.51	557.78	53270.85	270712.00
OOH	$535,600.00	5.2%	80.03	109.64	8774.36	172213.00
Cinema	$144,200.00	1.4%	1.68	1.00	1.68	1136.37

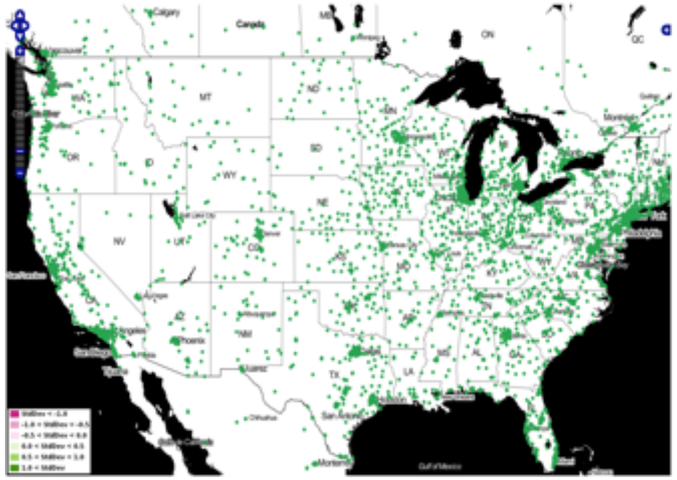
MARKETING EVOLUTION

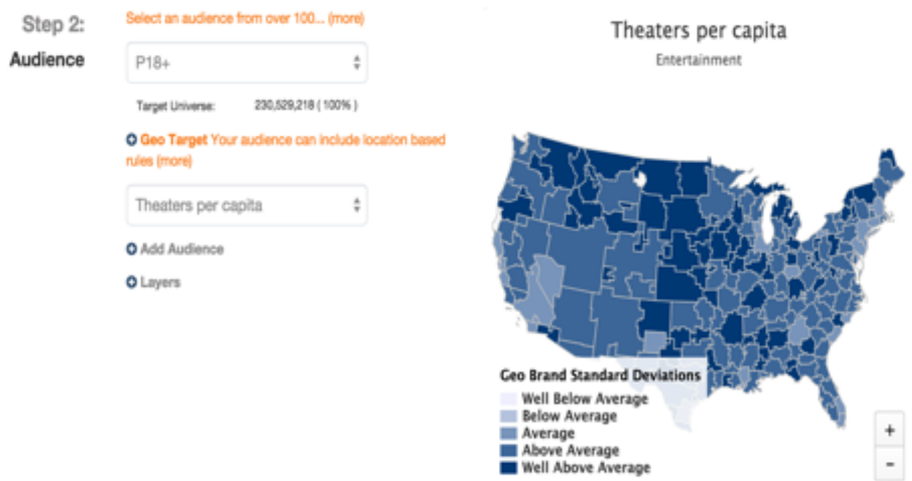
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New Media Planning Algorithms Deal With the Complexity

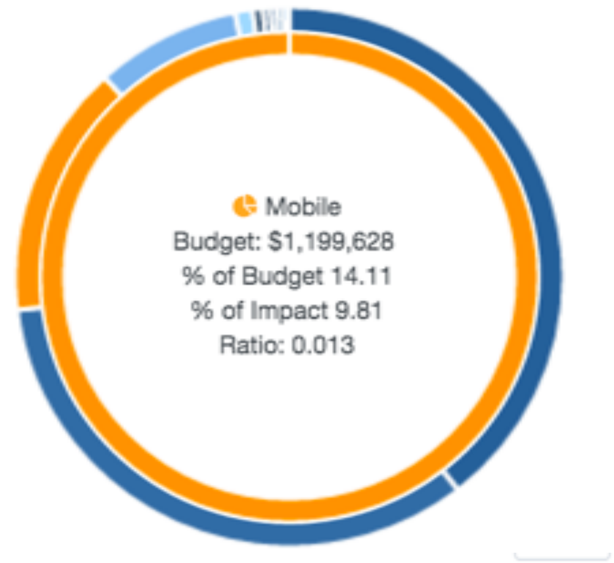
- Using Local boosts ROI by over 12%
  - Top 200 Marketers $9.4 Billion/$47 million each

- It accounts for Mobile increasing its share of budget by 15% over using demos alone.





Use of the SMoX and other ROI data to create an optimized media plan in under 4 minutes



Region	Media	% of budget	Spend	Reach	Frequency	TRPs	Attributed Impact
National	Digital Portals	(8.0)	$677,611	29.2	17.3	505.2	55,817
National	Digital Video	(36.7)	$3,117,220	44.5	2.0	89.0	554,810
National	Cable TV	(31.2)	$2,652,253	35.8	12.3	440.3	278,267
National	Mobile	(14.1)	$1,199,628	38.9	4.9	190.6	102,456

Q&A

Why All Marketing Is Local

Person Level Data



Media Fragmentation

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@rexbriggs