Understanding Consumers’ Local Search Behavior

GCS/IPSOS Surveys DE

Hamburg, January 2015
WHAT WE WANTED TO LEARN

Every day, people search for information on different devices. Beside using general search to search for information in a general matter they are searching especially for things nearby. These local searches are aimed at finding things near where they happen to be.

In order to gain insights about consumers’ search usage and attitudes, the research was inspired and based on previous research by Google, Ipsos and Purchased in US (Understanding Consumers’ Local Search Behavior Study).

Compared to earlier research for this study data from the Ipsos Access Panel was combined with data from Google Consumer Surveys for one holistic report: The Ipsos survey was used as an umbrella survey to look into general usage and attitudes towards general and local search across devices and verticals. Google Consumer Surveys was used to uncover vertical specific local search behavior.
METHODOLOGY

<table>
<thead>
<tr>
<th>Ipsos Survey (Umbrella survey)</th>
<th>GCS Survey (Deep dive per vertical)</th>
</tr>
</thead>
<tbody>
<tr>
<td>n=500 Smartphone Searcher</td>
<td>n=3000 Smartphone Searcher</td>
</tr>
<tr>
<td>outgoing sample representative</td>
<td>outgoing sample representative</td>
</tr>
<tr>
<td>for mobile internet user</td>
<td>for mobile internet user</td>
</tr>
<tr>
<td>allowing derivation of</td>
<td>allowing derivation of</td>
</tr>
<tr>
<td>incidence and structure</td>
<td>incidence and structure</td>
</tr>
<tr>
<td>per vertical</td>
<td>per vertical</td>
</tr>
<tr>
<td>Ipsos Access Panel</td>
<td>Google Consumer Survey</td>
</tr>
<tr>
<td>LOI: 10 min</td>
<td>LOI: 3 min</td>
</tr>
</tbody>
</table>

GCS Data weighted according to structure of Ipsos Survey (gender & age per vertical)

Combined analysis and report to uncover consumers’ local search behavior across devices as well as different verticals.
EXECUTIVE SUMMARY

Consumers use search frequently across all devices and verticals
- Local and general search equally important for smartphone search user
- Retail, Media and Tech are searched most often across devices
- Prices are the most relevant information for consumers across all verticals

Local searches help consumers and result in short term actions
- Among local search features, local addresses and directions most often searched for across all verticals
- Consumers search for information during all steps of the purchase process and mainly when they are at home
- Search heavily supports consumers across all verticals and results in actions

Consumers want and act on location-based ads
- More than half of the consumers want ads to be customized to their city, zip code or immediate surroundings
- 8 in 10 consumers have taken an action after seeing an ad
CONTENTS

1 General search behaviour
2 The prominence of local search
3 Situation and Influence of Search
4 Engaging consumers with location-based ads
5 Profile of search user
GENERAL SEARCH BEHAVIOR
Local search nearly as important as general search for mobile search user

General Search
= requests regarding general product, price or brand information

Local Search
= requests regarding local information, e.g. directions, product availability

97%
91%
Search most important for retail: 51% used it on smartphone before purchase

Base: Used device to search for information using search engines for any purchase during the last 6 months (n=502 for smartphone, n=502 for computer/tablet)

Ipsos Survey Q4. For which products or services did you use a … to search for information using search engines during the purchase process? Starting from the time you first realized you needed a product or service to the period after you purchased it. Select all that apply.
Nearly all search user conduct general search across all their devices

SMARTPHONE
- At least one: 97%
- Pricing: 79%
- Reviews: 52%
- Further details: 51%
- Other brands: 32%
- Service/Warranty: 9%

COMPUTER/TABLET
- At least one: 98%
- Pricing: 87%
- Reviews: 72%
- Further details: 70%
- Other brands: 55%
- Service/Warranty: 26%

Base: Used device to search for information using search engines for any purchase during the last 6 months (n=502 for smartphone, n=502 for computer/tablet)
Ipsos Survey Q5a. What type(s) of information did you search for on your computer/smartphone/tablet using search engines? Select all that apply.
Consumers use general and local search frequently across all devices and verticals.

You should make sure product prices as well as ratings and reviews are integrated in your ad to deliver the most relevant information for consumers at a glance.
THE PROMINENCE OF LOCAL SEARCH
In general: Local search used by 9 in 10 on a smartphone

Base: Used device to search for information using search engines for any purchase during the last 6 months (n=502 for smartphone, n=502 for computer/tablet)

Ipsos Survey Q5b. What type(s) of information did you search for on your computer/smartphone/tablet using search engines? Select all that apply.

- Business Hours
- Directions
- Promotions
- Address
- Customer Service
- Product Availability

SMARTPHONE
- 91%
- 62%
- 45%
- 43%
- 43%
- 26%
- 25%

COMPUTER/TABLET
- 96%
- 66%
- 45%
- 59%
- 50%
- 38%
- 43%
### Specific verticals: address/directions most often searched for

<table>
<thead>
<tr>
<th>Vertical</th>
<th>Travel</th>
<th>Finance</th>
<th>Retail</th>
<th>Local</th>
<th>Tech</th>
<th>Media/Entertainment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Business Hours</td>
<td>66%</td>
<td>59%</td>
<td>66%</td>
<td><strong>78%</strong></td>
<td>65%</td>
<td>65%</td>
</tr>
<tr>
<td>Address</td>
<td>73%</td>
<td>73%</td>
<td>58%</td>
<td>65%</td>
<td>60%</td>
<td>60%</td>
</tr>
<tr>
<td>Directions</td>
<td>71%</td>
<td>67%</td>
<td>55%</td>
<td>60%</td>
<td>55%</td>
<td>58%</td>
</tr>
<tr>
<td>Promotions</td>
<td>52%</td>
<td>66%</td>
<td>63%</td>
<td>54%</td>
<td>54%</td>
<td>59%</td>
</tr>
<tr>
<td>Customer Service</td>
<td>48%</td>
<td>57%</td>
<td>38%</td>
<td>45%</td>
<td>38%</td>
<td>41%</td>
</tr>
<tr>
<td>Product Availability</td>
<td>39%</td>
<td>41%</td>
<td><strong>44%</strong></td>
<td>43%</td>
<td>44%</td>
<td>40%</td>
</tr>
</tbody>
</table>

Base: Vertical Smartphone Searcher (n=478 - 497 per vertical, total n=2901). Google Consumer Survey Q3b. What type(s) of information did you search for on your smartphone using search engines during any part of your last purchase process regarding...? Ipsos Survey Q5b. What type(s) of information did you search for on your computer/smartphone/tablet using search engines? Select all that apply.
What we learned
Local searches help consumers and result in short term actions

Advertiser implications
Information regarding address/directions become key drivers for an purchase.
SITUATION AND INFLUENCE SEARCH
Consumers conduct searches in a variety of places but mainly at home

% of consumers who search for information at:

- **Home**: 83%
- **Outdoors**: 45%
- **Shopping Mall / Store**: 40%
- **School / Workplace**: 38%
- **Travelling**: 30%
- **Restaurant / Bar**: 17%

Base: Vertical Smartphone Searcher (n=478 - 497 per vertical, total n=2901)
Google Consumer Survey Q4. Where were you when you conducted any smartphone web searches for your [vertical] purchase?
Consumers search for information during all steps of the purchase process

<table>
<thead>
<tr>
<th>SMARTPHONE</th>
<th>INSPIRATION</th>
<th>RESEARCH</th>
<th>PRE-PURCHASE</th>
<th>PURCHASE</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>When first deciding what to buy</td>
<td>While choosing exactly what to buy</td>
<td>Just before visiting the store/business</td>
<td>Just before making the purchase</td>
</tr>
<tr>
<td>Retail</td>
<td>41%</td>
<td>44%</td>
<td>42%</td>
<td>41%</td>
</tr>
<tr>
<td>Travel</td>
<td>46%</td>
<td>31%</td>
<td>23%</td>
<td>35%</td>
</tr>
<tr>
<td>Finance</td>
<td>37%</td>
<td>36%</td>
<td>28%</td>
<td>41%</td>
</tr>
<tr>
<td>Local</td>
<td>38%</td>
<td>36%</td>
<td>35%</td>
<td>35%</td>
</tr>
<tr>
<td>Tech</td>
<td>43%</td>
<td>41%</td>
<td>28%</td>
<td>39%</td>
</tr>
<tr>
<td>Media/Entertainment</td>
<td>37%</td>
<td>39%</td>
<td>27%</td>
<td>43%</td>
</tr>
</tbody>
</table>

Base: Vertical Smartphone Searcher (n=478 - 497 per vertical, total n=2901)
Google Consumer Survey Q5. At which stage(s) of your purchase process for [vertical] did you search for information on your smartphone? *Mean across all verticals.
Search heavily supports consumers across all verticals and results in actions

State that the web search(es) strongly helped to decide what product or service to buy in the end? (values 8-10 on a scale from 1 (not at all) to 10 (completely))

68%

43% take a follow-up action within 1 hour after search

- Travel: 43%
- Finance: 42%
- Retail: 46%
- Local: 46%
- Tech: 36%
- Media/Entertainment: 46%

Base: Vertical Smartphone Searcher (n=478 - 497 per vertical, total n=2901)

Google Consumer Survey Q7. To what extent did the smartphone web search(es) you conducted help you decide what product or service to buy in the end? Average: Q6. How soon after your last smartphone web search for the product/service did you purchase or take a follow-up action (e.g., visit a related store or business)?
What we learned

Searches result in short term actions

Advertiser implications

Consumers search mainly at home but act quickly after their search.
ENGAGING CONSUMERS WITH LOCATION-BASED ADS
Consumers want ads to be customized to their location

- **58%** of Smartphone users want ads customized to their *city/zip code*
- **60%** of Computer/Tablet users want ads customized to their *city/zip code*
- **56%** of Smartphone users want ads customized to their *immediate surroundings*
- **59%** of Computer/Tablet users want ads customized to their *immediate surroundings*
Consumers use ad features, on smartphone Seller reviews most used

77% use at least one ad feature

- Number of G+ followers: 6%
- Links at the bottom: 24%
- Get directions button: 35%
- Reviews & Ratings: 42%
- Call button: 27%

Base: Vertical Smartphone Searcher (n=502).
Ipsos Survey Q6. Which of the following ad features have you used when searching for information during the purchase(s) you made during the last 6 months? Select all that apply.
8 in 10 use at least one ad feature on computer/tablet, Local Address is top

79% use at least one ad feature

- Number of G+ followers: 6%
- Links at the bottom: 24%
- Local Address: 52%
- Phone Number: 38%
- Reviews & Ratings: 43%

Base: Vertical Smartphone Searcher that used computer or tablet (n=480).
Ipsos Survey Q6. Which of the following ad features have you used when searching for information during the purchase(s) you made during the last 6 months? Select all that apply.
Location-based ads lead consumers to visit stores or make purchases

- 82% take an action after seeing an ad
  - 55% Continued with pre-planned action
  - 45% Decided to make an un-planned action

% of consumers taken an action after seeing an ad:
- Finance: 86%
- Local: 86%
- Travel: 83%
- Tech: 83%
- Retail: 83%
- Media/Entertainment: 82%

Base: Vertical Smartphone Searcher (n=51-203 per vertical, total n=388)
Ipsos Survey Q7. Which of the following actions have you taken after seeing any of these ad features within the last 6 months? Select all that apply.
What we learned
Consumers use location-based ads and expect ads to be relevant to their location.

Advertiser implications
Ads need to be customized to surrounding and post-code of searchers. Ratings and reviews are key ad features and result - in combination with localized information - in store visits and purchases.
APPENDIX 1: PROFILE OF SEARCH USER
Search user slightly more male, highly digital and keen to socialize and consume

**Gender**
- 40% female
- 60% male

**Age**
- 16-24: 8%
- 25-34: 11%
- 35-44: 25%
- 45-54: 30%
- 55+: 26%

**Internet and Search Usage (at least daily)**
- 96% Internet
- 80% Search

**Purchase (in the past 6 months)**
- 91%
- 74%
- 68%
- 63%
- 52%
- 38%

**Leisure activities (at least a few times a month)**
- 49% hang out with friends/family at coffee shops, shopping malls, etc.
- 40% dine out in restaurants
- 32% go out to bars or clubs

**Shopping behavior (at least a few times a month)**
- 39% buy personal care products, cosmetics or fragrances
- 26% buy/download digital music, movies or books
- 23% buy clothes, shoes or accessories

---

**Base:** Vertical Smartphone Searcher (n=502)

**Ipsos Survey S1. Age S2. Gender Q1. How often do you access the internet on the following devices? Q2. How often do you use search engines (e.g. Google, Bing, Yahoo) to look for information using each of the following devices? Q3. Which of the following type of products or services, if any, have you purchased in the past 6 months? Q10. How frequently do you do each of the following activities in your leisure time? Q11. How frequently do you buy each of the following products?
Profiles of search user differ across verticals

<table>
<thead>
<tr>
<th>Vertical</th>
<th>Profile Differences</th>
</tr>
</thead>
<tbody>
<tr>
<td>Travel</td>
<td>1.6x more likely to be female than tech or finance user</td>
</tr>
<tr>
<td></td>
<td>1.3x more likely than retail user to dine out in restaurants</td>
</tr>
<tr>
<td>Finance</td>
<td>1.5x more likely than retail user to be male</td>
</tr>
<tr>
<td></td>
<td>3.1x more likely to buy electronics than travel user</td>
</tr>
<tr>
<td>Retail</td>
<td>1.5x more likely than tech user to buy clothes, shoes or accessories</td>
</tr>
<tr>
<td></td>
<td>1.9x more likely than tech/finance user to be female</td>
</tr>
<tr>
<td>Local</td>
<td>1.4x more likely to go out to bars/clubs than travel/retail/tech user</td>
</tr>
<tr>
<td></td>
<td>1.4x more likely than tech/media user to buy personal care products</td>
</tr>
<tr>
<td>Tech</td>
<td>2.5x more likely than retail user to be 55+ years</td>
</tr>
<tr>
<td></td>
<td>1.5x more likely than retail user to be male</td>
</tr>
<tr>
<td>Media/Entertainment</td>
<td>1.3x more likely than retail user to be male</td>
</tr>
<tr>
<td></td>
<td>1.2x more likely than retail user to dine out in restaurants</td>
</tr>
</tbody>
</table>

Base: Vertical Smartphone Seeker (n=502)
Google Search and Maps most used apps

28% Product info app
36% Price comparison app
37% Retailer app
82% Maps/navigation app
88% Google Search app

Base: Vertical Smartphone Searcher, total n=2901
Google Consumer Survey Q8. Which, if any, of the following apps do you currently use on your smartphone?
APENDIX 2: PRODUCT CATEGORY INSIGHTS
Prices are the most relevant information for consumers across the 6 verticals

<table>
<thead>
<tr>
<th>Service/Warranty</th>
<th>Travel</th>
<th>Finance</th>
<th>Retail</th>
<th>Local</th>
<th>Tech</th>
<th>Media/Entertainment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prices</td>
<td>87%</td>
<td>78%</td>
<td>92%</td>
<td>88%</td>
<td>91%</td>
<td>93%</td>
</tr>
<tr>
<td>Reviews</td>
<td>75%</td>
<td>69%</td>
<td>81%</td>
<td>73%</td>
<td>80%</td>
<td>83%</td>
</tr>
<tr>
<td>Further details</td>
<td>53%</td>
<td>67%</td>
<td>58%</td>
<td>64%</td>
<td>66%</td>
<td>65%</td>
</tr>
<tr>
<td>Other brands</td>
<td>34%</td>
<td>44%</td>
<td>43%</td>
<td>39%</td>
<td>43%</td>
<td>43%</td>
</tr>
<tr>
<td>Service/Warranty</td>
<td>16%</td>
<td>25%</td>
<td>14%</td>
<td>17%</td>
<td>16%</td>
<td>15%</td>
</tr>
</tbody>
</table>
Consumers conduct searches in a variety of places but mainly at home

% of consumers who search for information at:

<table>
<thead>
<tr>
<th>Location</th>
<th>SMARTPHONE</th>
<th>Travel</th>
<th>Finance</th>
<th>Retail</th>
<th>Local</th>
<th>Tech</th>
<th>Media/Entertainment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Home</td>
<td>83%</td>
<td>82%</td>
<td>82%</td>
<td>83%</td>
<td>82%</td>
<td>85%</td>
<td>83%</td>
</tr>
<tr>
<td>Outdoors</td>
<td>45%</td>
<td>39%</td>
<td>41%</td>
<td>50%</td>
<td>58%</td>
<td>40%</td>
<td>45%</td>
</tr>
<tr>
<td>Shopping Mall/Store</td>
<td>40%</td>
<td>20%</td>
<td>29%</td>
<td>51%</td>
<td>48%</td>
<td>44%</td>
<td>48%</td>
</tr>
<tr>
<td>School/Workplace</td>
<td>38%</td>
<td>34%</td>
<td>36%</td>
<td>40%</td>
<td>37%</td>
<td>40%</td>
<td>39%</td>
</tr>
<tr>
<td>Travelling</td>
<td>30%</td>
<td>40%</td>
<td>29%</td>
<td>32%</td>
<td>29%</td>
<td>27%</td>
<td>27%</td>
</tr>
<tr>
<td>Restaurant/Bar</td>
<td>17%</td>
<td>23%</td>
<td>15%</td>
<td>17%</td>
<td>18%</td>
<td>13%</td>
<td>15%</td>
</tr>
</tbody>
</table>

Base: Vertical Smartphone Searcher (n=478 - 497 per vertical, total n=2901)
Google Consumer Survey Q4. Where were you when you conducted any smartphone web searches for your [vertical] purchase?
Customization is desired across verticals, but mostly for Finance and Local Services.

Ipsos Survey Q8. Do you want ads to be customized to your immediate surroundings when you search for information?

Q9. Do you want ads to be customized to your post code or city when you search for information on each of the following devices?

- Travel: 56%
- Finance: 69%
- Retail: 64%
- Local: 66%
- Tech: 63%
- Media/Entertainment: 58%

- Travel: 56%
- Finance: 68%
- Retail: 61%
- Local: 61%
- Tech: 57%
- Media/Entertainment: 56%

Base: Vertical Smartphone Searcher (n=68-258 per vertical).

Ipsos Survey Q8. Do you want ads to be customized to your immediate surroundings when you search for information? Q9. Do you want ads to be customized to your post code or city when you search for information on each of the following devices?
APENDIX 3:
METHODOLOGICAL INSIGHTS
Combination of GCS and Ipsos data is a good way to enrich classic online study designs.

Google Consumer Surveys are ideal for a limited number of in depth questions in addition to an extend online survey.

Suitable for hard to reach target groups or consumers with a very low incidence where reference data for weighting is available.
THANK YOU!

CONTACTS:

ingoknuth@google.com