SOCIAL & LOCAL

BY GREG STERLING, ANDREW SHOTLAND AND YEXT

INSIDE

Inside Social & Local

Greg Sterling

Greg Sterling is senior analyst for Opus Research tracking the evolution of the mobile Internet. Sterling is also a contributing editor for Search Engine Land and Marketing Land, leading online technology blogs. And he is the founder of Sterling Market Intelligence, focused on the Internet's impact on offline consumer behavior.

Sterling previously ran BIA/Kelsey's Interactive Local Media program from 2001 to 2006. Before ILM he was a producer at TechTV. Prior to TechTV, Sterling was a founding editor at AllBusiness.com. Before all that he was a practicing attorney in Los Angeles and San Francisco.

Sterling is frequently quoted in leading US publications regarding the search, local and mobile markets.

Andrew Shotland

Andrew Shotland is the proprietor of www.localseoguide.com a leading search consultancy with a specialty in SEO for local search and enterprise-level search marketing. He is a regular contributor to SearchEngineLand.com and author of the definitive Google News Ranking Factors survey. Andrew recently launched AppleMapsMarketing.com, a blog focused on helping businesses navigate Apple Maps and SIRI.

Andrew has over 15 years of experience in the Internet. He was a founding member of NBC's Internet group and a former GM of NBC.com. He helped start Insider Pages, a pioneering local-social search engine, which was acquired by CitySearch in 2006. He is a co-founder of Backyard, a local deals service that was acquired by Pixelfish in 2011.

Local Is Going Social

Howard Lerman

If you had asked me five years ago how maps and local search would evolve, I would have said that the most important entity is the places. Specifically, the data about what businesses there are, and where those businesses are located.

But I was wrong. It turns out that when it comes to local search, the people are just as important as the places, because after all, places are where people go. And the last couple of years underscore that:

- We've seen the rise of local search with Facebook and Foursquare capturing interest and steering behavior
- A recent study even found that 13% of local search happens on Facebook – a figure that I find astounding
- The introduction of Facebook's Graph Search, which structures proprietary social content to make it useful for users, was a seismic event

So now we see a future where local and social are inherently connected. Businesses aren't simply defined by their addresses, but by the experiences their customers have while there.

And customers are looking to social networks for location information, and looking for social content as part of that information.

"Businesses aren't simply defined by their addresses, but by the experiences their customers have while there."

That social content is driving the next generation of local discovery, relying on your customers. Word-of-mouth is more effective than any paid campaign, and local customers want to talk about local businesses. Simply put, local is going social.

As the world gets more mobile, your customers are able to go more places and become more social.

So while it's not Yext's job to invent the customer experience, we've set out to create tools for businesses and brands to capture those digital moments at the local level, and publish them everywhere their customers are looking.

The Social Past and Future of Search

Greg Sterling

The future of search is social. Then again so was its past. Indeed, what many people don't clearly see is that crowdsourcing and social data have been part of the search experience from the very beginning of what we might call the "modern search era."

Modern Search Era

When Google emerged from Stanford University in the late 1990s its budding search engine sought to do a better job of indexing and ranking an exponentially growing body of HTML documents. The Yahoo directory and DMOZ/ Open Directory Project that both predated Google used human editors to compile lists of relevant or recommended sites in hundreds of categories.

YAHOO! DIRECTORY, 1997

Those manually-compiled directories were some of the earliest "search engines." Though the methodology was "top down" it typically involved hundreds of editors. Various search engines later developed automated ways of organizing and ranking web content, largely based on the density of keywords on specific pages. That resulted in keyword "stuffing" and other practices seeking to game the system.

> ## "Crowdsourcing and social data have been at the heart of the search experience from the very beginning"

Google co-founder Larry Page had the notion in 1996 that "backlinks" between web pages could be used to rank the authority of different websites. (Google was originally called "backrub.")

It was a brilliant insight. Democratic "voting," in the form of links, would offer a clear sense of what sites had "authority" for a given topic.

That idea became the core of Google's "Page Rank" algorithm, which has since become exponentially more complex. And though most people don't see it this way, Page Rank was a social approach to ranking – a form of "social search" years before "social search."

The Rise of Social

The rise of big social sites like Digg and later Facebook created a huge trove of social data that Google wanted to leverage as an additional set of "signals" for the ranking and personalization of search results. However Facebook blocked Google from using its data, instead making it available to rival and Facebook investor Microsoft.

In October 2010 Microsoft enabled users (signed in to Bing and Facebook) to see search results informed by their Facebook friends' Likes. Sites and pages that had been Liked were highlighted in search results. That experiment expanded in 2011 and has evolved into Bing's "social sidebar."

The Social Past and Future of Search, cont.

Greg Sterling

Bing's integration of Facebook data posed a significant challenge to Google. In early 2011, Google introduced a "+1 button," its response to Facebook's Like button, in an attempt to generate its own social data for search.
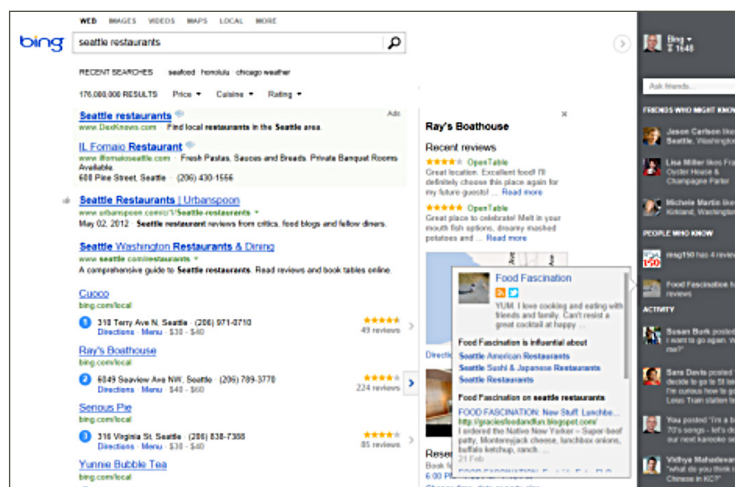
BING SOCIAL SIDEBAR, 2011

Users who clicked +1 on publisher websites (where it was installed) would endorse that content for members of their "Google social circles" - then a mix of people publicly connected through Gmail - Google's profile pages, as well as its now-defunct Buzz and Google Reader products.

Google subsequently introduced Google+. The company also altered its privacy policy to enable it to combine user data across all Google properties, partly for ad-targeting and partly to access more data for search ranking and personalization.

Bing's use of social data has evolved into dedicated area called "social sidebar," as mentioned, in which content from Twitter, Facebook, LinkedIn, Quora and Klout are displayed and used. Though innovative, it has had little impact on Bing's market share.

Foursquare is another example of a local search engine using social data to expose and rank places. The company uses check-ins, lists, likes, tips and other socially generated information to rank local business results. Indeed, in many ways Facebook local search (formerly Nearby) was inspired by Foursquare.

There are many more examples of "social search" online. Shopping search engine, TheFind, for example, incorporates Facebook Like data into its ranking of product-search results. And upstart search engine Blekko re-introduced the human curation model (inspired by DMOZ) into its search engine a couple of years ago.

One could equally argue that the long-standing ratings and review systems on sites like Yelp and TripAdvisor, which influence rankings, are also a form of "social search." Long pre-dating the Like button, these models have been around for more than a decade.

> ### "Yelp and TripAdvisor, which influence rankings, are also a form of 'social search,' long pre-dating the Like button."

Social Search Paradigms

In some ways the culmination of the trend toward deeper integration of a social layer in search occurred in the past few months when Facebook introduced Nearby and Graph. The former is available through Facebook's mobile apps and enables users to see local businesses that have been endorsed by friends.

The Social Past and Future of Search, cont.

Greg Sterling

Graph Search is a broader offering, using the same underlying algorithm, to enable Facebook PC users to search for people, places and things on Facebook.

There are several paths forward for search. Mobile, big data and "ambient" or "predictive search" (e.g., Google Now) figure prominently in these scenarios. However there's no future search paradigm that doesn't involve social content or socially influenced ranking.
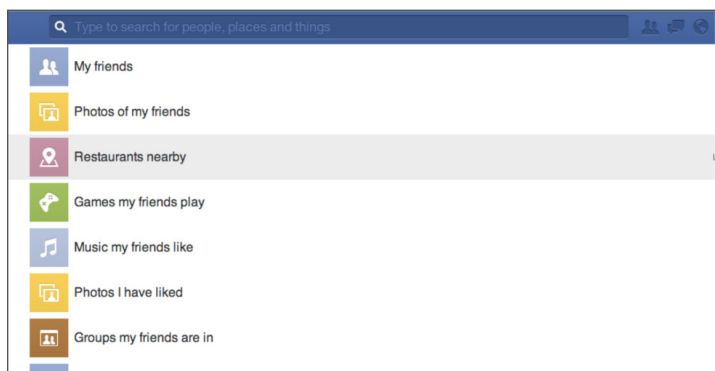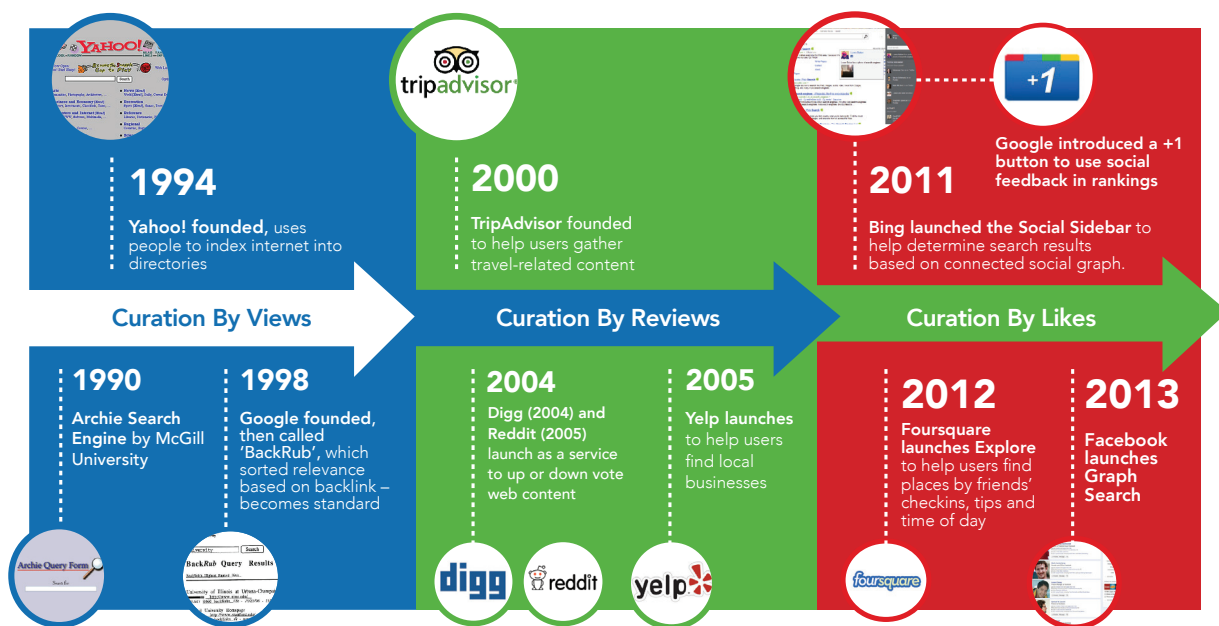
While people treat "social search" as a recent phenomenon, social data or social elements have informed the search experience for at least a decade. The difference today is that sites like Facebook, Twitter, Google+, Foursquare, Instagram and others – combined with the use of mobile devices – are dramatically accelerating the creation and collection of social data.

FACEBOOK GRAPH SERACH, 2013

"There's no future search paradigm that doesn't involve social content or social ranking."

Search Has Always Been Social
The History of Social Search

Curation By Views

1994
Yahoo! founded, uses people to index internet into directories

1990
Archie Search Engine by McGill University

1998
Google founded, then called 'BackRub', which sorted relevance based on backlink – becomes standard

Curation By Reviews

2000
TripAdvisor founded to help users gather travel-related content

2004
Digg (2004) and Reddit (2005) launch as a service to up or down vote web content

2005
Yelp launches to help users find local businesses

Curation By Likes

2011
Bing launched the Social Sidebar to help determine search results based on connected social graph.

Google introduced a +1 button to use social feedback in rankings

2012
Foursquare launches Explore to help users find places by friends' checkins, tips and time of day

**2013**
Facebook launches Graph Search

Small Businesses 'Like' Social Media, But Struggle to Make It Effective

Greg Sterling

Between 50% and 90% of US small and medium sized businesses (SMBs), depending on the survey, say they use social media to market themselves. Among a range of sites that include Twitter, Google+, LinkedIn, Pinterest, Instagram and others, Facebook is by far the most widely adopted.

For its part Facebook has been pushing aggressively into the SMB segment. This year the company reported 16 million local business pages. The majority of these are probably SMBs, though Facebook won't reveal precisely how many.

Which social media tools or platforms do you use to promote your business? (check all that apply)

FACEBOOK	68.7%
TWITTER	32.8%
GOOGLE+	49.2%
OTHER	19.1%
NONE	18.6%
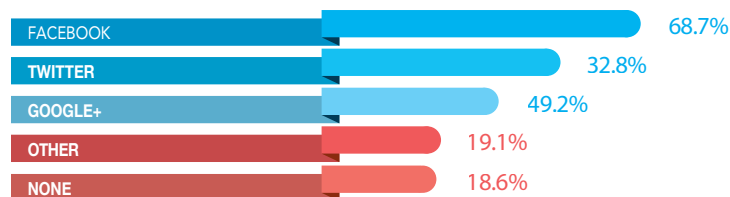
SOURCE: REPLY.COM, SEPTEMBER 2012
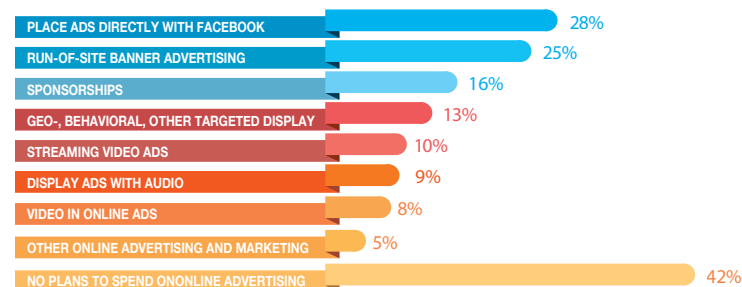(N=3,270 US SMBS UNDER 99 EMPLOYEES)

As social media marketing has gone mainstream, however, there has also been frustration and growing "social media fatigue." SMBs typically lack the resources and skill to implement social media best practices. Many also can't determine whether their social media investments are paying off.

Recent surveys from Borrell Associates, the National Association of Women Business Owners, Ad-ology and others reflect that SMBs plan to increase digital spending, which includes social media marketing often focused on Facebook specifically.

> **"As social media marketing has gone mainstream, there has also been frustration and growing 'social media fatigue.'"**

While Facebook is the most widely used social marketing tool it is not always seen as the most effective. A January 2013 survey conducted by the Wall Street Journal (among larger SMBs) found LinkedIn the most "regularly used" social site, beating Facebook 41% to 14%.

On which types of online advertising do you expect to spend money in 2013?

PLACE ADS DIRECTLY WITH FACEBOOK	28%
RUN-OF-SITE BANNER ADVERTISING	25%
SPONSORSHIPS	16%
GEO-, BEHAVIORAL, OTHER TARGETED DISPLAY	13%
STREAMING VIDEO ADS	10%
DISPLAY ADS WITH AUDIO	9%
VIDEO IN ONLINE ADS	8%
OTHER ONLINE ADVERTISING AND MARKETING	5%
NO PLANS TO SPEND ON ONLINE ADVERTISING	42%

SOURCE: BORRELL ASSOCIATES, Q4 2012
(N=1,028) US SMBS UNDER 99 EMPLOYEES

Another recent SMB survey from Constant Contact found that social media was ranked fourth out of five channels in attracting new customers. It was number three when it came to engaging current customers.

Small Businesses 'Like' Social Media but Struggle to Make It Effective
Greg Sterling

Part of the blame for any perceptions of ineffectiveness has to fall on SMBs themselves. Digital marketing platform vSplash crawled millions of US small business websites in late 2012 and discovered that 87% either had no obvious social media presence or had failed to expose those profiles and accounts on their websites.

These findings fly in the face of the survey data asserting that 50% to 90% of local businesses have adopted Facebook and social media marketing.

More than 15 years after the internet became mainstream, the majority of local business owners still struggle with basic online marketing questions. Typically they're overwhelmed by the ever-expanding list of new marketing channels and disciplines.

As with SEO or paid search, it's too much to expect that most SMBs, despite their social media enthusiasm, will be able to take full advantage of it without significant help.

> **"It's too much to expect that most SMBs will be able to take full advantage of [social media] without significant help."**

You Need To Know: Local Marketing Via Pinterest
Andrew Shotland

A recent survey of online shoppers found Pinterest motivates more online sales than Facebook. But Pinterest can also be a powerful driver of local, offline sales. The whole idea is to give people a reason to want to follow your brand so that you are more likely to be top of mind when they need you.

1. Promote Local Deals
Maggiano's Little Italy, a national chain, uses Pinterest to share images of menu itms and promotions. Images of these deals are easy to share with other Pinterest users and can create awareness of these deals.

2. Make Your Brand Part of the Pinterest Community
Target's PinBoard features a combination of product shots and interesting images. By not focusing 100% on promoting sales, Target acts like another member of the Pinterest community and gets rewarded for it.

3. Show Off Your Locations
Hilton Hotels combines beautiful photos from different locations and then aggregating those locations on a single board with links back to its site for reservations.

4. Promote & Pay Attention To Your Followers
Maggiano's Bliss List contest showcases customers wedding pictures. Fuddruckers asks fans to submit photos from their visits to the restaurant. Pay attention to what your followers are pinning, this will give you clues as to what your customers are interested in sharing and buying.

5. Have Fun!
Tony LaMartina Plumbing, a St.Louis plumber, has a PinBoard that is full of personality and humor ("Toilet Humor" that is). It includes pictures of other cities he's visited and shots of kitchens and baths he's worked on.

The most successful Pinterest boards are those that use the medium creatively to tell a story.

# Social Media: Is It for Branding, Direct Response or Both?

Greg Sterling

There's a widely distributed video ad from Adobe in which a "social media consultant" is slapped in the face when he says to his client, "measuring social media ROI is a myth." After enduring this abuse repeatedly he changes his statement to, "You can definitely measure ROI on social media."

Despite the commercial's claim, the debate is far from over.

Facebook marketing executive Carolyn Everson announced last year that Samsung spent $10 million on Facebook Ads over a three-week period and drove $129 million in sales. However, a senior Coca-Cola marketing manager created a stir earlier this year by telling an audience in New York that the company couldn't find a connection between social media "buzz" and direct sales.

Social Media Spending As A Percentage of Marketing Budgets
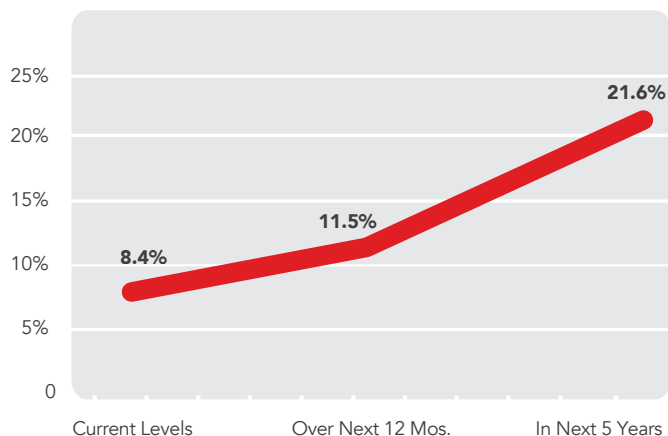
SOURCE: REPLY.COM, SEPTEMBER 2012
(N=3,270 US SMBS UNDER 99 EMPLOYEES)

Regardless of the ROI debate, social media marketing is on the rise. According to the February 2013 CMO Survey, administered by Fuqua School of Business at Duke University, social media

spending as a percentage of overall marketing budgets is set to more than double over the next five years. This is true despite the absence of standard or consensus metrics to measure success.

In the past, marketers have used engagement (fans/followers), Likes, interactions, brand awareness and, of course, increased sales. The CMO Survey identifies page views, repeat visits and follower counts as the most popular metrics being tracked today. Net promoter scores, sentiment analysis and brand mentions are also growing in popularity.

The debate over which ROI metrics to use corresponds to a parallel debate about the proper role of social media. Is it better for branding or direct response? The right answer is: both.

Beyond "ROI" there are other benefits from social media such as SEO and improved customer service and feedback. Social media is all but mandatory at this point. Brands will continue, however, to struggle with questions about how many resources to devote to any particular social site or marketing tactic.

Just as there are numerous social media sites and marketing objectives we're not likely to see a single ROI metric emerge any time soon. That does not mean, however, that you can't measure the value of social media. You can – even if it typically can't be mapped to direct sales.

"Is [social media] better for branding or direct response? The right answer is: both."

Survey Reveals Potential, Challenges for Facebook's Graph Search

Greg Sterling

In January, Facebook introduced an improved site-search capability called "Graph Search." Using social data to rank and personalize results, Graph Search lets users find "people, places and things" on the site. The feature was just rencently made available to the wider Facebook's users.
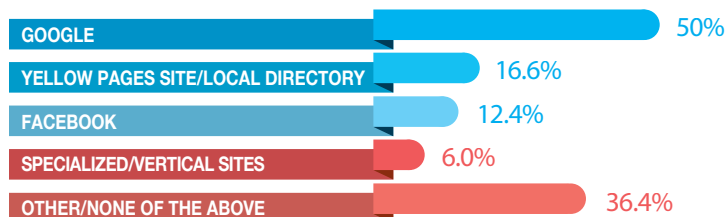
Graph Search isn't "web search", but Facebook's scale makes it a potential major player in the roughly $20 billion US search market. And local information ("places") is at the heart of Graph Search. Facebook also offers local search on its mobile apps.

But will people come to think of Facebook as an alternative to Google or Yelp when seeking hotel or local restaurant recommendations? Apparently many people already do according to recent comScore data, which found Facebook was the second most popular mobile app (after Google Maps) for local information on the go.

To test consumer receptiveness to Graph Search, we conducted our own survey of 1,000 US adults in March. Keep in mind that most Facebook users haven't yet had a chance to try Graph Search yet.

> **"Facebook could easily grow existing local search activity if Graph Search results are good and the content is improved."**

How many of the following websites do you use to find local business information online?

Website	Percentage
GOOGLE	50%
YELLOW PAGES SITE/LOCAL DIRECTORY	16.6%
FACEBOOK	12.4%
SPECIALIZED/VERTICAL SITES	6.0%
OTHER/NONE OF THE ABOVE	36.4%

SOURCE: YEXT, MARCH 2013 (N=1,001 US ADULTS); TOTALS EXCEED 100% BECAUSE MULTIPLE ANSWERS PERMITTED

While nearly 70% of respondents expressed ambivalent or negative attitudes toward Graph Search (men and younger people were somewhat more receptive than others to using it), when asked to name the sites people currently use to find local business information, Facebook surprisingly came in ahead of specialized sites by more than 2 to 1 (see chart above).

This mirrors the aforementioned comScore data. Google was used by 50% of survey respondents, followed by yellow pages/local directories (16.6%), Facebook (12.4%), and specialized vertical sites like TripAdvisor (6%).

Facebook could easily grow existing local search activity if Graph Search results are good and the content is improved.

People were asked to indicate what tools or local content they wanted to see on Facebook in the future. Basic contact details were the most widely selected category.

Survey Reveals Potential, Challenges for Facebook's Graph Search

Greg Sterling

Consumers also wanted to see services and menus. A meaningful percentage wanted pricing information and photos or videos. There was also considerable interest in scheduling or reservations capabilities.
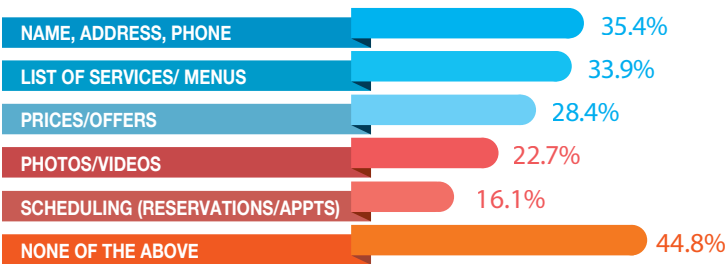
This finding further underscores Facebook's search opportunity. However our survey also showed that Facebook must overcome a number of challenges as it tries to become a search utility for consumers.

Resistance to the basic notion of using Facebook as a search engine must be overcome. That can happen if Facebook delivers a great user experience with improved local business content. But much of that content must come directly from business owners who recognize the potential of Graph Search – especially in local.

How many of the following websites do you use to find local business information online?

NAME, ADDRESS, PHONE	35.4%
LIST OF SERVICES/ MENUS	33.9%
PRICES/OFFERS	28.4%
PHOTOS/VIDEOS	22.7%
SCHEDULING (RESERVATIONS/APPTS)	16.1%
NONE OF THE ABOVE	44.8%

SOURCE: YEXT, MARCH 2013 (N=1,001 US ADULTS); TOTALS EXCEED 100% BECAUSE MULTIPLE ANSWERS PERMITTED

Local Fuels Social Interaction
Authentic business engagement in social comes from local

yext

1

Presence to anchor
Businesses build digital places for people to engage (just like their physical stores)

16m		Facebook Local Business Pages
10/25		of the most downloaded iOS apps are local & social
1b		Facebook searches
1b+		people use Google Maps each week*
1m		Google Maps is available on more than 1M websites*

2

Context for customer interaction
Businesses passively participate in C2C as the backdrop of digital interactions

25k		photos shared on Facebook
5m		Facebook check-ins
13m		comments on Facebook Business Pages

3

Join conversation
Add to the customer conversation by sharing useful content about your business

350m	★★★	business reviews/day
30m		online restaurant reservations /year ****
30k		daily deals offered/month
12k		daily deals redeemed/month

Essential Information for Your Customers

- Business Name
- Address
- Phone
- Hours of Operation
- Photos, Videos
- Offers, Events, Menus, Status Updates

You Need To Know: Local Social Media Best Practices for National Brands
Andrew Shotland

National brands seeking to use social media at a local level have many challenges. How do you localize a campaign? Who creates the local content? Who in the organization owns the local engagement?

Understand Your Local Capabilities
If your organization has social expertise at the local level, you may be able to empower local managers to execute a campaign based on Corporate's priorities. In either case, Corporate should be clear in communicating strategy, tactics and expectations to local managers. Education is critical, so ongoing webinars can be beneficial.

Add Value Every Day
Many brands attack social media with one-time campaigns. While these can create buzz & Likes, the longer-term view to create daily engagement with audiences can provide a lot more value.

Use Automation & Standardized Messaging
To scale national campaigns, use automation to customize content at the local level.

For example, use wild cards in your copy to insert local terms into social posts from local Facebook accounts. Create pre-approved text, image and video content you can schedule and distribute.

Don't Claim Your Google+ Local Pages (Yet) for Multi-Locations
Google+ currently doesn't have a good system for managing multi-location brands and claiming these pages could be bad for organic rankings. Google is working on it, so sit tight.

Ask For Facebook Check-Ins & Reviews
The only way to leave local reviews on the Facebook Mobile App is to check-in to a business first. Instead of asking for likes on receipts and on in-store signage, ask for check-ins and reviews. This will likely help in Graph Search in the future.

You Need To Know:
5 Ways Multi-Location Businesses Can Prepare For Facebook Graph Search
Andrew Shotland

As Facebook Graph Search rolls out, brands targeting local customers will start to see opportunities both to be found by potential customers and to find people who might be receptive to local marketing messages. The granular nature of Facebook Graph Search results (filters by people, places, interests, photos, etc.) will likely encourage people to use the service **for local discovery**. What this means is that local content (aka "keywords") and local relationships (aka "Friends") will be critical for businesses that want to be discovered.

Here are 5 things any multi-location business can do to get ready:

1. **Make sure you have a unique Facebook location Page for each of your business locations.** This will make them more likely to show up in local Graph searches. Be sure to have an accurate name, address, phone number and website link on each of these pages. And definitely make sure you have the keywords you think people will be searching for on your pages.

2. **Regularly add local content to each Facebook location Page.** Restaurants should have up-to-date menus – and make sure each menu item has a "Like" button. Retailers should have available products. Regularly updated events and promotions are also great ways to get valuable keywords on your Facebook Place Pages.

3. **Offer promotions to Facebook users with large numbers of local connections.** The activity of these super-Friends are more likely to show up across a wide number of local Graph searches (as long as these are not spammy accounts).

4. If you are generating local content on your website or via an app, **make sure that you are using Facebook's Open Graph to allow people to post to Facebook via your app.** This will provide more opportunities for you to rank for various Graph searches.

5. **Get lots of "Likes" from locals.** Encourage people to share, Like and comment on your service. The more recommendations, the more likely you are to show up when a person is searching Facebook Graph for friend recommendations. When it comes to Graph Search SEO, it seems like Likes are the new links.

"Local content and local relationships will be critical for businesses that want to be discovered."