FOURSQUARE

A Retailer's Guide to Location-Based Advertising

Proven strategies, insights, and solutions for retail marketers

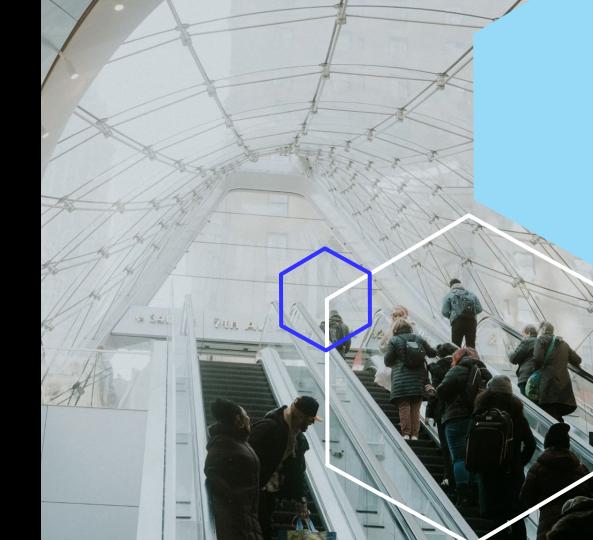


Table of Contents

Introduction	<u>00</u>
Retail Trends	<u>01</u>
Use Cases & Solutions	<u>02</u>
Targeting & Measurement Strategies	<u>03</u>
Case Studies	<u>04</u>
Why Retailers Partner with Foursquare	<u>05</u>
Conclusion	<u>06</u>



Introduction

What is location-based advertising?

Location-based advertising reveals how shoppers navigate the world, using real-life behaviors like past visitation patterns and real-time movements to help retailers engage customers at key moments in their journey.

Why is it important to retailers?

By gaining insights into shopper habits and preferences, you unlock the ability to create, measure, and optimize more personalized, context-driven campaigns.

From advanced audience segmentation, real-time targeting capabilities, and better attribution on in-store visits and sales, retailers are improving shopper engagement, increasing their ROAS, and driving ROI.

This guide explores how retailers are capitalizing on the power of location to drive real results. You'll find current retail trends, use cases, targeting and measurement strategies, and more.

Let's dive in



√ 90%

Of marketers saw higher sales with location-based marketing.



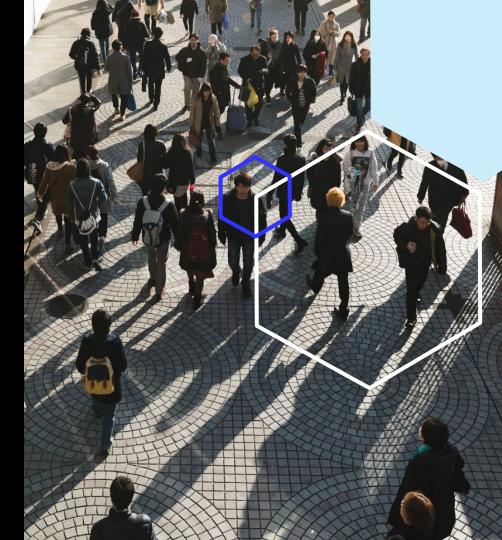
78%

Of retailers use geomarketing and targeting communications to promote their products & services

FSQ

Source: 1)BCG

Retail Trends



Consumers continue to shop and make immediate purchases in-store

Quarterly U.S. Retail Sales In-Store vs. Online (in trillions)



Source: U.S. Census Bureau



Physical retail stores was forecast to account for 83.8% of total retail sales in the US in 2024.

Source: Statista.com



Gen-Z consumers, despite growing up as digital natives, are spending money in-stores at a similar rate to their grandparents.

Source: cnbc.com



85% of consumers who have used BOPIS (Buy Online, Pick-Up In-Store) say they have made additional unplanned in-store purchases when picking up an order placed online.

Source: Hgr.org



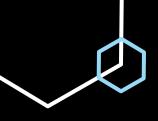
More than 31% of shoppers who made an in-store discovery purchased the item right away.

Source: <u>Emarketer.com</u>

Q2

Retail Use Cases & Foursquare Solutions





Top Retail Use Cases:

Reach Shoppers & Measure Success at Every Stage of the Customer Journey



Competitively conquest shoppers that recently visited or are currently at competitive store locations to gain market share.



Win back lapsed customers that previously visited your retail stores with tailored messaging to encourage revisits.



Acquire new customers by reaching in-market consumers who are shopping for complementary products and services.



Retarget consumers across mobile, CTV, and social, as well as consumers who have previously visited your stores.



Influence path to purchase by targeting consumers as they engage in activities that they tend to do before visiting your store.



Engage attendees at in-person events or target past visitors to boost brand recall with increased ad frequency.



Measure the success of your campaigns, identifying which audiences, partners, channels, or tactics are most effective at driving in-store visits and sales. Use insights to optimize your campaigns in-flight.





Smarter Targeting & Better Measurement



With better targeting, you can reach shoppers who are more likely to engage with your ads and make a purchase.



Understand What's Working

A clear view into which campaign tactics drive store visits and sales will help you allocate your ad budget more efficiently.



Maximize ROI

With precise targeting and accurate measurement, you can craft smarter marketing strategies that drive results.





Location-Based Advertising Solutions:By Foursquare

Retailers use Foursquare's suite of marketing solutions to improve targeting and gain insights that allow them to optimize their campaigns.



Foursquare Audience

Build custom audience segments based on real-world consumer behaviors.



Foursquare Proximity

Create custom geofences to reach shoppers in real-time, without any PII data sharing required.



Foursquare Attribution

Measure the success of your campaigns on in-store visits and sales to optimize tactics in-flight.

03

Targeting & Measurement Strategies



Audience Strategies for Retailers

Engage key audiences by using intent signals from their historical behaviors, such as past visits and online interests.

Key Tentpole Events: Reach shoppers celebrating milestones throughout the year like St. Patrick's Day and winter break, shown through visits to relevant places such as party stores or airports.

NBA Enthusiasts Online & Off: Target basketball fans who gear up for big games by visiting sports merchandise stores or local arenas. They also search online for basketball related topics.

Fourth of July Party Planners: Reach a specific demographic of party planners – like females ages 35-44 – who visit party supply stores, liquor stores, and grocery stores while preparing to host Fourth of July celebrations.

High Intent Shoppers: Reach infrequent visitors actively shopping at competitive locations and searching for your category of product or service online.

Morning or Evening Retail Shoppers: Identify consumers who shop in the late morning hours from 9am-12pm or evening hours from 6-9pm.

Mall Going Residents: Build audiences of shoppers who live in specific cities near your stores and who frequent local malls.

High Income Travelers: Target consumers who have a HHI of \$150k+ and have frequently been seen at airports.

Parents on a Budget: Target mom and dads who are seen shopping at second hand retailers and have an Online Interest in Discount and Outlet Stores.

Weekday Visitors: Build an audience of consumers who do most of their shopping during the week and are rarely seen at retailers on the weekends.

Holiday Shoppers: Target new holiday shoppers who have visited your competitive set or category, but have not recently made a visit to your brand.

Lapsed Customers: Reach consumers who used to frequent your stores, but have not been seen visiting your stores in the past 6 months.

Best Practices

- Estimated audience size should be greater than 50k, ideally 1M+.
- Increase the scale of your campaign by adding Online Interests or using the Reach Multiplier to create a lookalike audience.
- Use over 1500+ ready-to-use audience segments for quick activation off-the-shelf in major DSPs.
- Play with "AND" and "OR" filters to adjust scale and narrow down your audiences.

How to get started?

Use the self-serve Audience Designer to build custom segments on the fly, search for Foursquare segments in your DSP to activate ready-to-use audiences in seconds, or tap into our team of location experts who will help you build custom segments to reach campaign goals. Learn more or get in touch here.



Proximity Strategies for Retailers

Reach shoppers in real-time as they browse competitor stores, pass by your brand's location, or enter areas that align to your campaign goals.

Malls But Not Outlet Malls: Use filters to target or exclude specific retailers. For example, "Name contains: 'Mall' but does not contain: 'Outlet'" targets mall locations while excluding outlet malls.

Retail Categories: Select from hundreds of categories to reach consumers in the vicinity of specific retail locations like department stores, bookstores, food and beverage retailers, etc.

Zip Code Targeting: Target shoppers who are in specific zip codes, to reach them with localized messaging relevant to a broader area or region.

Complementary Stores: Reach shoppers visiting retail stores that complement your offering to influence consumer behavior. For example, target customers shopping at apparel stores when promoting accessories or shoes.

Competitive Chains: Build geofences around competitor stores to deliver targeted promotions and encourage shoppers to choose your brand instead.

Event Targeting: Target consumers at specific events by setting geofences around venues, delivering real-time messages or promotions based on their location, whether it's a concert, sports game, or trade show.

Shoppers in Close Proximity: Target specific audiences by adjusting your geofence to a smaller radius, such as 1 mile, to focus on consumers near a particular location—perfect for driving foot traffic to a flagship store or local event.

City-Wide Marketing: Expand your reach with a larger geofence, up to 18 miles, to capture a broader audience. This is ideal for regional campaigns or promotions aimed at shoppers across a city or surrounding area.

Low, Medium, & High Urban Density: Target areas based on population density: use broad reach in low-density zones, refine targeting in medium-density areas, and focus on localized groups in high-density regions for maximum impact.

Best Practices

- The minimum geofence radius is 10 meters; we recommend expanding this for better scale and spend.
- Refine your geofences using filters like DMAs, Chains, Categories, Urban Density, and Name Does Not Contain.
- Create multiple sets within a segment for easy, hyper-customized organization.
 Use color coding to visualize overlap.
- Upload your own lat/long coordinates to combine custom geofences with Foursquare's POI data.

How to get started?

Use the self-serve Proximity Designer to build custom segments on the fly, or connect with our team of location experts to craft tailored segments that align with your campaign goals. Learn more or get in touch here.



Measurement Strategies for Retailers

Measure the impact of media on driving in-store visits and sales, allowing for real-time optimizations to avoid wasting ad dollars.

Measure Incrementality: See if your retail campaign is truly driving incrementality among those exposed to your ads.

Use Multi-Touch Attribution: Gain a holistic view of your marketing efforts by measuring beyond the last click. Weight different touch points appropriately and understand the influence of each channel on driving conversions.

Unlock Sales Impact: Gain visibility into the customer journey by measuring the impact of media campaigns on driving transactions and higher basket sizes.

Avoid Data Silos: Prevent data fragmentation by comparing campaign performance in a singular UI for seamless analysis.

Learn About Your Customers: Pay attention to the demographics influenced by your ads and use these learnings to reach and engage new and existing customers.

Analyze Online & Offline Data: With in-store sales expected to drive 83% of retail sales in the US in 2025, executing omnichannel campaigns that combine online and offline strategies will be essential to understanding the consumer path to purchase.

Monitor Results in Real Time: Analyze ad performance in real time and take learnings to make in-flight optimizations, from the top performing creative to the most engaged audiences.

Compare Cross-Channel Performance: Measure and compare performance across all channels including OOH, social, TV, and Digital. With our preferred partnerships and seamless integrations, you can focus on the platforms that work best.

Test & Learn: Use data driven insights and experiments to refine strategies, such as pricing, messaging and ad placements to optimize spend and improve campaign performance.

Optimization Best Practices

- Focus on a few adjustments at a time.
- Keep track of trends in-flight.
- Shift budgets slowly.
- Work with FSQ to identify top performing tactics.
- If lift is absent, use reporting to find high-performing areas.
- Give it time. You can start seeing reporting 2 weeks post-campaign launch.
- Optimize towards tactics with strong confidence levels (80%+).

How to get started?

To get started or learn more about how Foursquare Attribution can help you measure the impact of media on store visits and sales, please visit our <u>site</u>.



Case Studies



Digilant & FSQ Proximity & Audience Drive Superior Results for Luminox via Mediamath

Challenge

Increase brand awareness of Luminox to four partner retailers. The primary KPI was driving traffic to the retailer's e-commerce site, but view-through and conversions on the Luminox site were also measured.

Solution

Digilant leveraged **FSQ Proximity** to target users at Nordstrom, Cabellas, Dillards, and Tourneau using tailored, co-branded creative. **FSQ Audience** was added to retarget users within 30 days of visiting those stores.

This campaign drove a **25% higher CTR** versus all other campaign tactics, and a **44% higher engagement** compared to other tactics. It was accountable for **10% of all view-throughs** to the Luminox site and in-app inventory performed **155% better** than all other inventory.





44%

Higher engagement compared to other tactics



155%

Increase in in-app inventory performance compared to all other inventory



[Audience Case Study]

How a Leading Retailer Leveraged TikTok and **FSQ Audience** to Boost In-Store Visits

Challenge

Build brand awareness with a video Connected TV campaign for a healthy pet food brand. Drive in-store traffic to neighborhood pet stores where the products are sold, and measure foot traffic.

Solution

Rise Interactive created two CTV campaigns to reach consumers on the largest screen in the home. They developed custom location-based segments with FSQ Audience: users who recently visited animal shelters, competitor locations, and neighborhood pet stores.

While the average **Cost Per In Store Visit** (CPISV) per campaign was \$1.64 and \$1.52, **FSQ Audience achieved nearly 50% lower** at \$0.90 and \$0.81. FSQ Audience resulted in a **2.46% visit rate**, **40% higher** than the campaign average.

"Foursquare has been a crucial partner in developing and maintaining a holistic campaign strategy for our programmatic campaigns. The team at [Foursquare] plays a large role in contributing to audience and measurement strategy prior to a campaign launch, as well as providing recommendations for optimizations throughout. They constantly have the client's goals and needs in mind."

Molly Murphy
Associate Manager, Rise Interactive

50%

Lower Cost Per In-Store Visit (CPISV) 40%

Higher Visit Rate than Campaign Average

Nextdoor Utilizes **FSQ Attribution** To Help Beauty Retailer Reach Consumers

Challenge

A leading beauty brand wants to drive consumers to shop its products in an upscale department store chain. The beauty retailer ran a month-long holiday campaign and partnered with Nextdoor to track campaign performance.

Solution

Nextdoor used proprietary Predictive Intent targeting to target the most relevant neighbors for this campaign and reach beauty shoppers when they were most likely to engage and convert. In addition to running Sponsored Posts in the newsfeed, a *Foursquare Attribution* study was included as added value to track in-store foot traffic. The campaign resulted in a 51.72% ROAS, and a 237% Behavioral Lift above Foursquare's benchmark.

nextdoor



 \nearrow

237%

51.72x

Behavioral Lift

Return on Ad Spend (ROAS)



05

Why Retailers Partner with Foursquare



#1 Leader in Location Intelligence

Named by CBInsights





Quality

With a database of **over 100M POI**, we understand places and the movement between them. This is why Foursquare is the #1 location intelligence provider, named by CBInsights.



Flexibility

We offer retailers unmatched partnerships with a global reach of **550+ integrations** across channels. Our data is readily accessible via your preferred partners.



Expertise

With 15+ years of experience, we've perfected our location technology to deliver both scale and accuracy in targeting and measurement for the retail industry.



Privacy

We're committed to protecting consumer privacy and do so by giving consumers control over their data, removing sensitive locations, and holding our partners accountable.

Activate **everywhere** you buy media

Our solutions are available to activate anywhere you buy. Your platforms are our partners. This includes deep partnerships with all leading DSPs/DMPs, publishers and ad networks, social, CTV, and out-of-home.

All leading DMP's









All leading DSP's









Leading Publishers











Leading Social Media











Leading CTV & OOH



SAMSUNG Ads





Conclusion



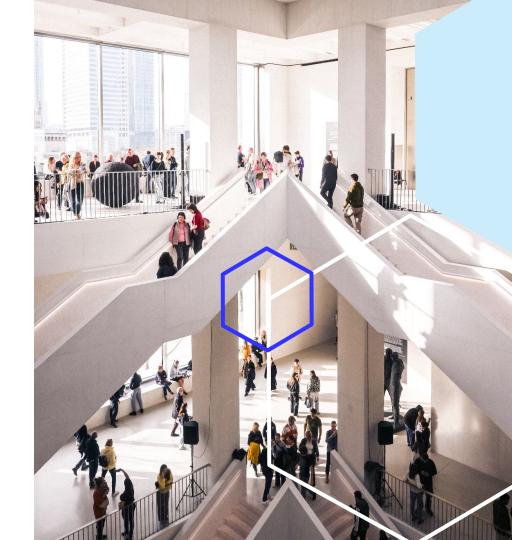
The Power of Location for Retailers

Location-based advertising helps you better understand your customers, connect with them in ideal moments, and influence their decisions.

As in-store shopping remains the primary way consumers shop, top retailers are putting emphasis on strategies that focus on real-world behaviors, both on and offline.

Foursquare's targeting solutions help retailers ensure you're reaching shoppers when they're most likely to engage. We also provide you the insights to optimize campaign tactics and ad spend mid-flight through precise omnichannel measurement.

Join the hundreds of other companies using Foursquare to drive real results. We're here to help.



If you want to learn more about **Foursquare** and how our solutions can help you, contact us at:

foursquare.com