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The New Face of Local

How Digitalization and COVID Created the Hybrid Customer Journey

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A Hybrid Online + In Person Customer Journey Unfolds

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A Hybrid Online + In Person Customer Journey Unfolds

During COVID, the world embraced ecommerce. Digital-first transactions grew significantly between Q1 2020 and 2021, but so did demand for nearby solutions to consumer needs. In fact, 'Near Me' Search activity intensified amid COVID, with search queries for "available near me" growing 100% year-over-year.

To shed light on this important topic and identify the greatest challenges and opportunities facing location-based businesses as we exit the pandemic, our parent company Uberall conducted a survey:

⟶ Ran a survey of more than 1,000 consumers in the US

⟶ Analyzed the online performance of nearly 80,000 business locations

The investigation and analysis show that as economies re-open, **consumers are much less likely to distinguish between online and offline**, and instead prefer a consumer purchase journey that blends physical and digital experiences in a non-linear fashion.

Embracing this new hybrid customer journey is not without its challenges, but I'm confident that by working together we can tackle any challenges head on and emerge stronger than ever.
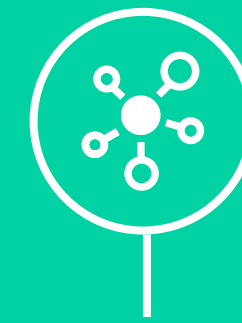
Nick Hedges
Chief Strategy Officer & EVP North America
MomentFeed, an Uberall Company

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The Hybrid Customer Journey is Here to Stay

The pandemic forced businesses to digitalize their services as much as possible and turn their locations or stores into assets that support an online-driven customer journey.

At the same time, this widened the options for consumers to engage with brands in new ways, allowing them to go with what's most comfortable for them.
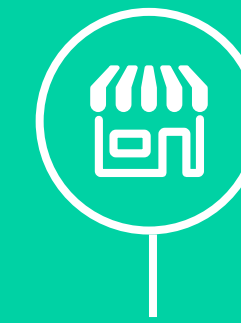
Consumers are still in favor of shopping locally. However, businesses need to respond by embracing the hybrid customer journey.

Key Takeaways

75%
of customers will still shop locally after the pandemic.

+11%
growth in consumer engagement with local businesses in 2020 vs. 2019.

+35%
increase in conversions via websites and phone calls in 2020 vs 2019.

Convenience matters.

Consumers are expected to shop more locally and use more digital services (e.g. buy online, pick up in store) that make their journey more convenient.

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Consumers Want E-commerce, Right?

Survey Reveals:
Consumer Behavior is More Locally Directed Than Ever

Brands across industries are seeing an increasing number of customer experience anecdotes like these:

I discovered Target's curbside pickup back in October and that's how we've been getting our groceries ever since.

**@Jacqueline T.
5/2/2021**

These experiences suggest that consumers have quickly adapted to new local purchasing options like curbside pick up and might even prefer them.

However, other indicators show that newer methods like curbside pickup are also driving incremental foot traffic and additional in store purchases. According to Harvard Business Review, eighty-five percent of retail consumers say that they have made additional unplanned in-store purchases when picking up an order placed online.

So what experience should businesses create for their customers? Our survey of 1,000 U.S. consumers shows that they still value stores but are more inclined toward hybrid experiences that use some combination of online and offline experience.

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In-Store
Experience
is Essential

Less than 18% of US consumers prefer to research and buy products only online. **74% have a shopping preference that includes the local store** at one point or another. This feedback is a strong indicator that consumers want a real-life experience in their journey – whether to evaluate the physical product in a store and/or the convenience of being able to take it home the same day.

The possibility of an in-store experience also matters when the purchase happens completely online. **66% of US consumers are more likely to buy something online when they can return it to a store**. This convenience of in store returns can be a positive differentiator for brands that offer it.

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Indicate Your Preferred way to Shop (U.S.):

36.9%
RESEARCH ONLINE & BUY IN STORE

21.6%
BUY ONLINE & PICK UP ITEM IN STORE

17.9%
RESEARCH ONLINE & BUY ONLINE

15.6%
SEE ITEM IN STORE & BUY IN STORE

8%
OTHER

"I'm more likely to buy something online if I can return it to a store." (U.S.)

66.4% Agree

19.1% Disagree

14.5% Not Sure

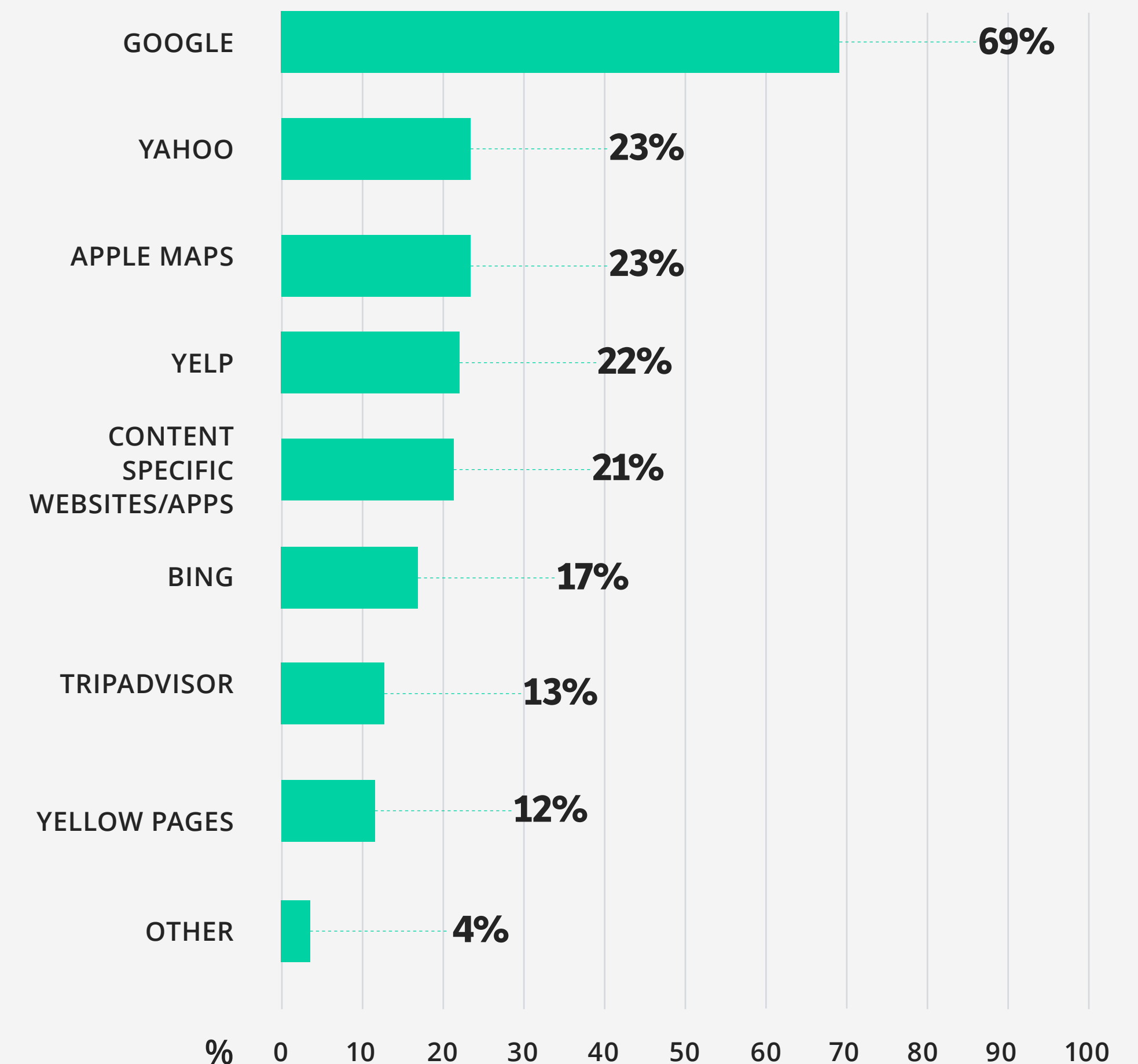# Google is #1 for Finding Local Business Information, **but ...**

It's no surprise that the majority of consumers (69%) use Google to find local business information. However, Google is not the only local search platform that matters for business visibility.

Despite Google's dominance, consumers use a multitude of search platforms and directories to find local business information.

More than 20% of consumer say they (also) use Apple Maps, Yelp and/or Yahoo to find information about nearby businesses. Industry specific websites and apps (e.g. travel, real estate, restaurants) are also important, with one out of five consumers using these platforms to find local business information.

Which do you use to Find Local Business Information? (U.S.)

Platform	%
GOOGLE	69%
YAHOO	23%
APPLE MAPS	23%
YELP	22%
CONTENT SPECIFIC WEBSITES/APPS	21%
BING	17%
TRIPADVISOR	13%
YELLOW PAGES	12%
OTHER	4%

% 0 10 20 30 40 50 60 70 80 90 100

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65% of Consumers are Influenced by Pricing

Unsurprisingly, price strongly influences consumers' buying decisions. However, our survey shows that **proximity and reviews/ratings also play an important role in a consumer's choice of business**, with 36% of consumers influenced by ratings/ reviews and 38% influenced by business distance.

A recent MomentFeed study, which measured the factors that consumers use to select among businesses that show up in the Google 3-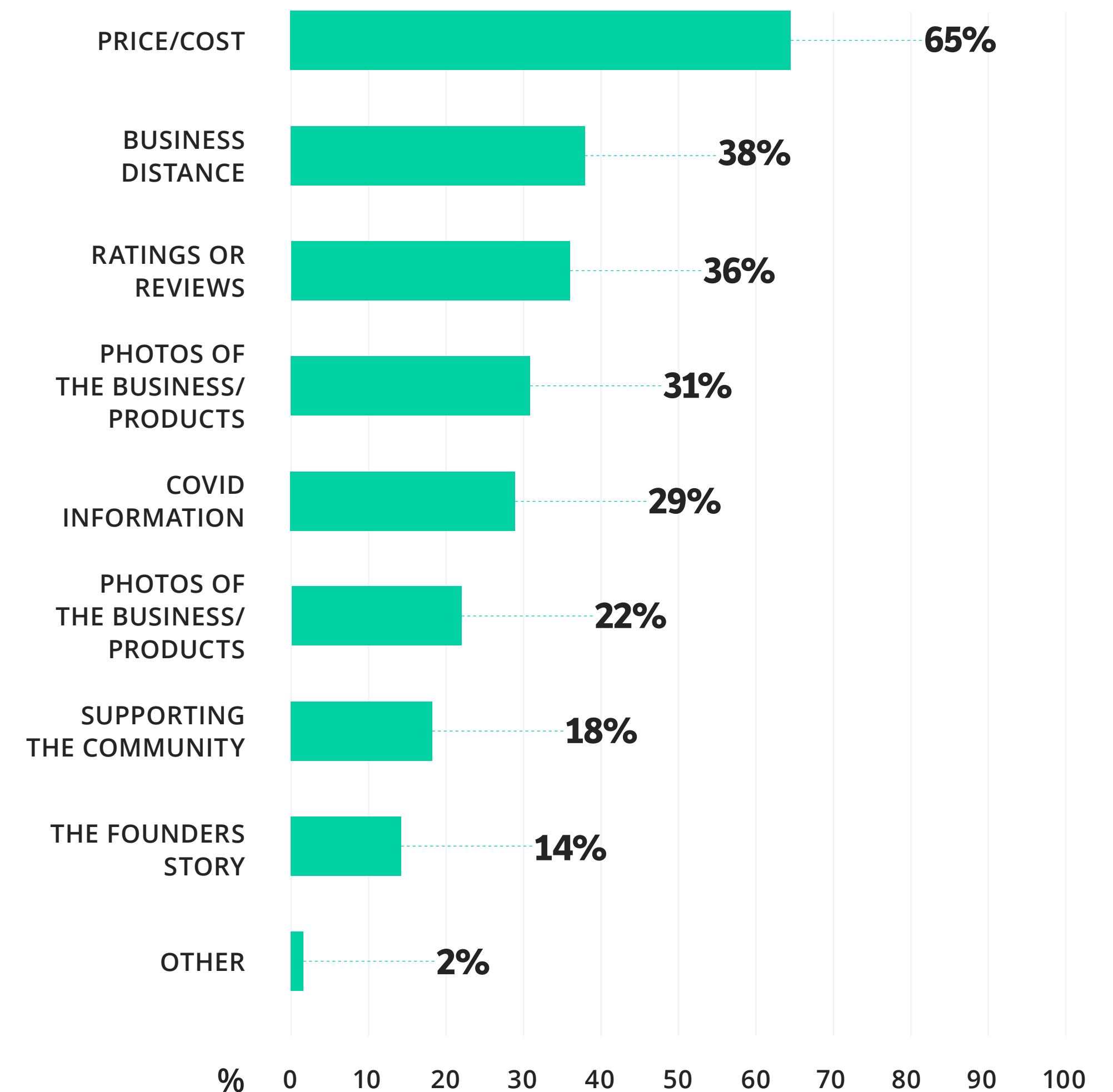Pack, supports these findings. It found that when browsing for local businesses, 64% of consumers favor businesses closest in proximity to their location; 57% rely on familiarity with a brand; 57% consider a business's star rating; and 49% read customer reviews.

Reviews and ratings are a strong conversion factor to keep in mind as an Uberall study on reputation management showed: **A star rating improvement of just 0.1 could create a 25% rise in foot traffic**.

Location-specific photos are exerting a growing influence on consumer selection, which underscores the importance of posting and actively managing a collection high quality photos of the local business.

Clearly, an effective strategy that combines review and photo management can enhance reputation and conversions.

When Buying Locally, Which of These Influence Your Decision? (U.S.)

Factor	%
PRICE/COST	65%
BUSINESS DISTANCE	38%
RATINGS OR REVIEWS	36%
PHOTOS OF THE BUSINESS/ PRODUCTS	31%
COVID INFORMATION	29%
PHOTOS OF THE BUSINESS/ PRODUCTS	22%
SUPPORTING THE COMMUNITY	18%
THE FOUNDERS STORY	14%
OTHER	2%

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PART 2:

COVID's Impact on Local Engagement

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Consumers Interacted Online More Often With Local Businesses During the Pandemic

"Accelerated digital transformation" was the 2020 buzzword for brands adapting to the shopping realities of COVID. Multi-location brands that already offered hybrid purchase options (such as ordering online for curbside pick up) fared well. But many were forced to pivot quickly to accelerate development of new kinds of purchase experiences that minimize face-to-face interaction.

What did actual performance data say about consumer adoption of hybrid shopping experiences being offered? To find out, Uberall compared the performance of business profiles on Google My Business in 2020 with the previous year, analyzing key local Google My Business metrics from 79,548 mid-market business locations.

The metrics we focus on:

'Near Me' Searches: refers to a search that a business location appears in.

Actions: there are three types of actions that indicate consumer engagement and that are a proxy to conversions:
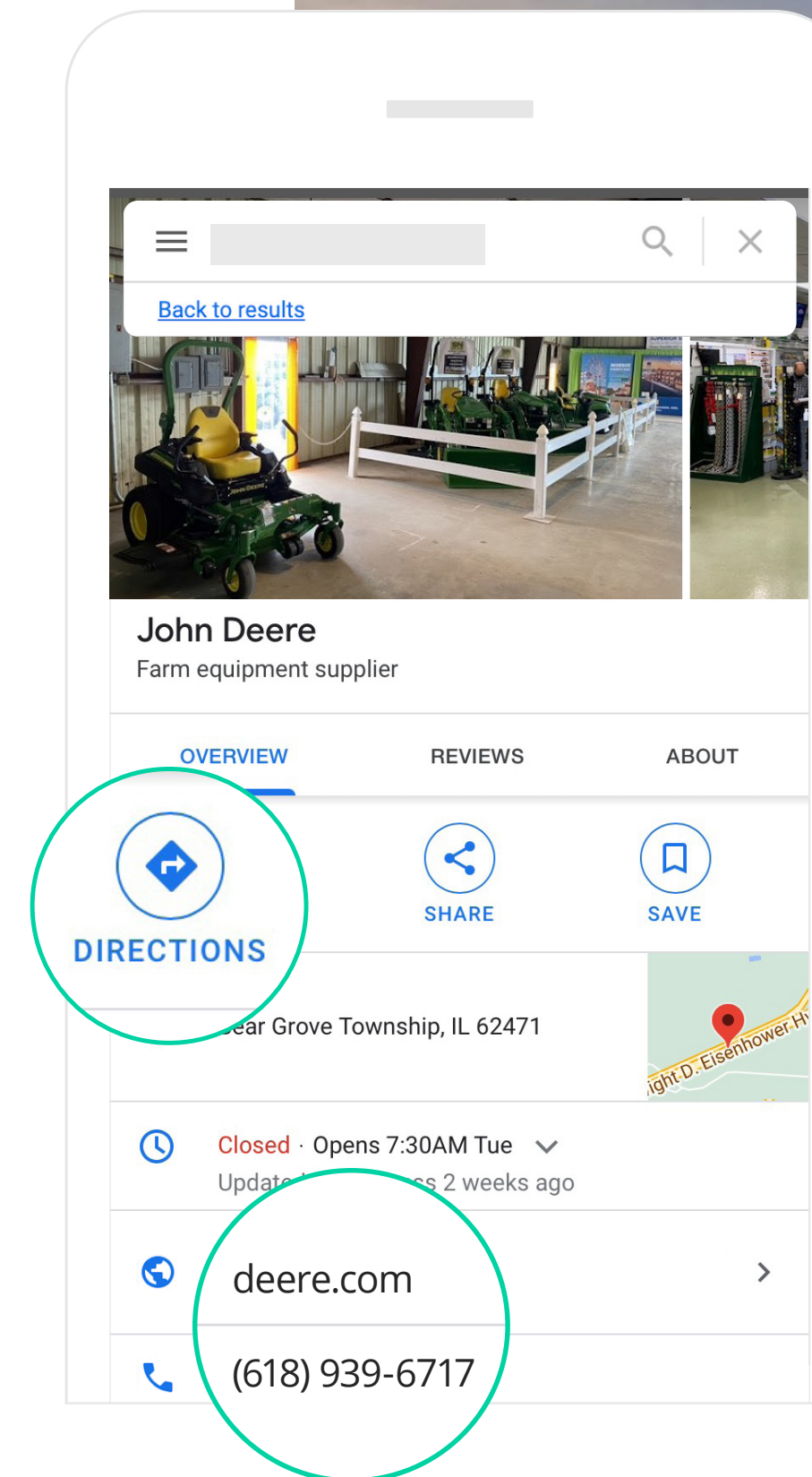
1. Click to directions
means a consumer shows the intent to navigate to the location.

2. Click to calls
means a consumer shows the intent to make an inquiry.

3. Click to website
means that a consumer continues their research on the brand's website.

John Deere
Farm equipment supplier

OVERVIEW   REVIEWS   ABOUT

DIRECTIONS   SHARE   SAVE

ear Grove Township, IL 62471

Closed · Opens 7:30AM Tue
Updated business 2 weeks ago

deere.com

(618) 939-6717

John Deere Dealership, James River Equipment has adapted its business to meet the needs of a more digitally-driven buyer. What used to be a very experiential purchase – with buyers wanting to see it, feel it, drive it before they purchase – is increasingly becoming digital-first, meaning customers go online to research before setting foot in the store.
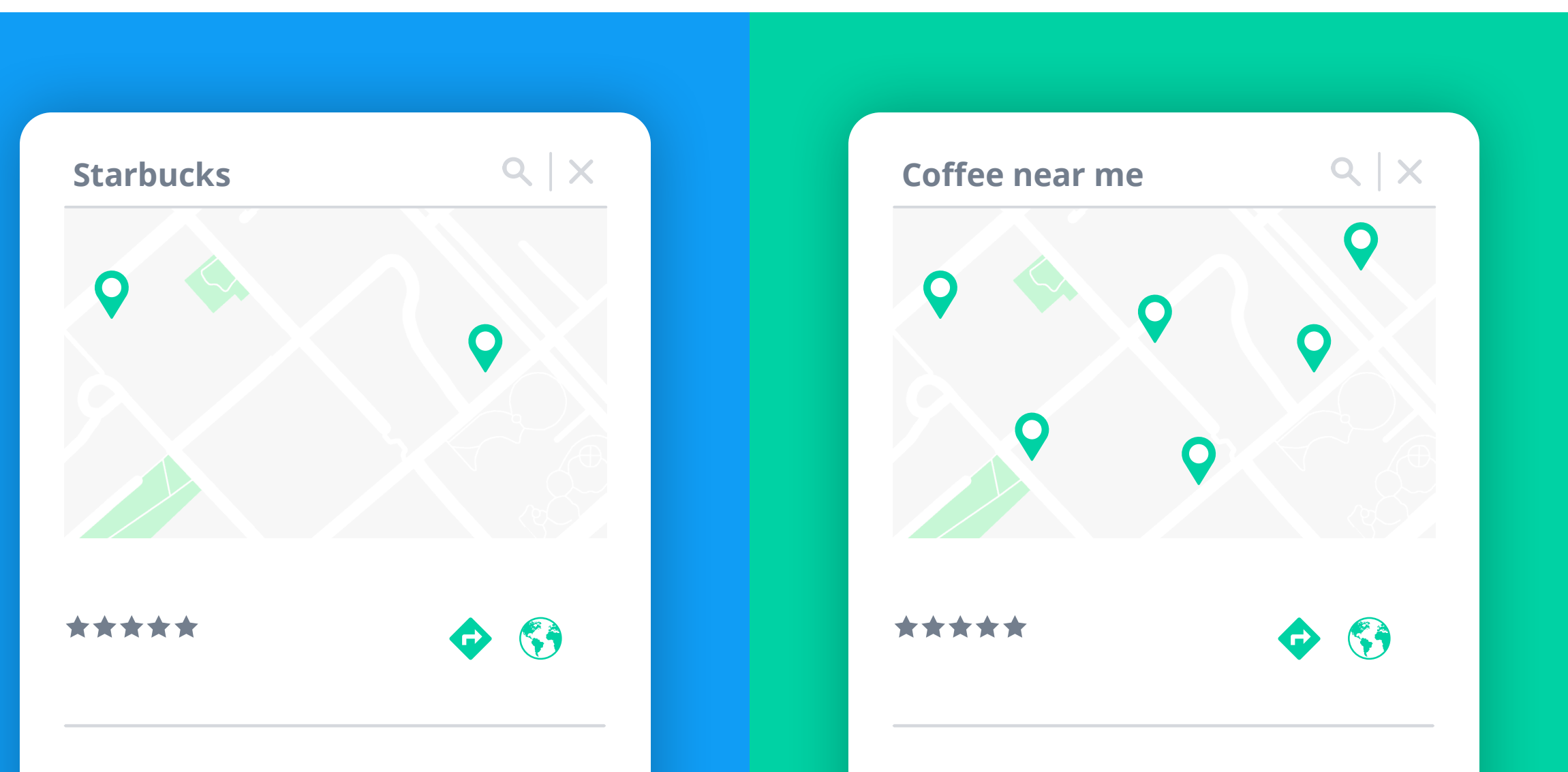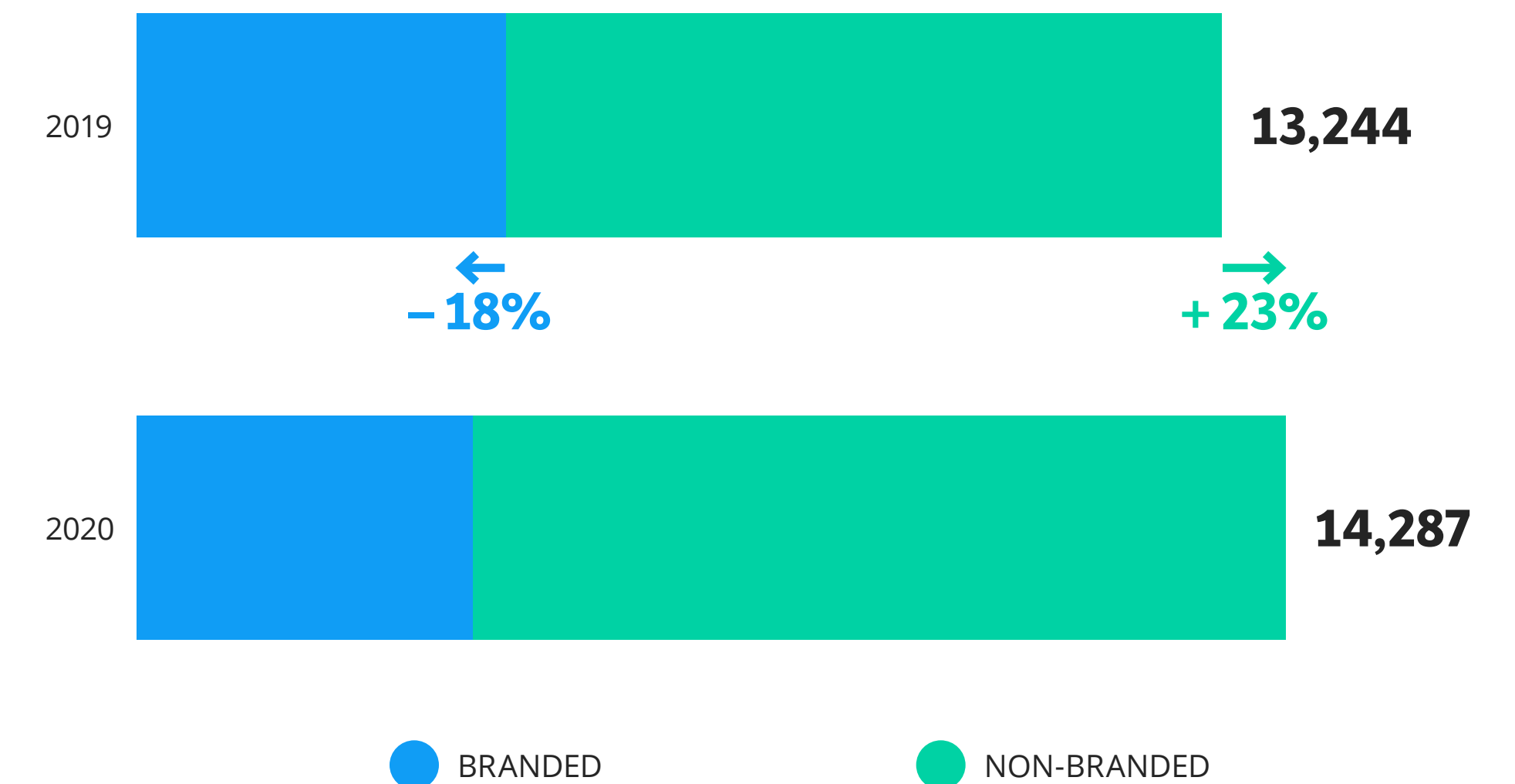
Non-Branded Searches
Became More Dominant Amid COVID

On a global level and without respect to industries, we find that business locations have been searched for more often in 2020 than in 2019.

We also notice that non-branded queries became more dominant, meaning that consumers search for the what ("bookshop near me"), not the who (e.g. "Barnes & Noble near me").

On the following pages we will see that the pandemic dramatically impacted local buying behavior. However, local businesses have been affected differently, mostly depending on their industry and also on their market.

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Average Monthly 'Near Me' Searches per Listing (Global)

2019   13,244

← **−18%**   → **+ 23%**

2020   14,287

● BRANDED   ● NON-BRANDED

Starbucks 🔍 | ✕

★★★★★

Coffee near me 🔍 | ✕

★★★★★

Local Listings Activity
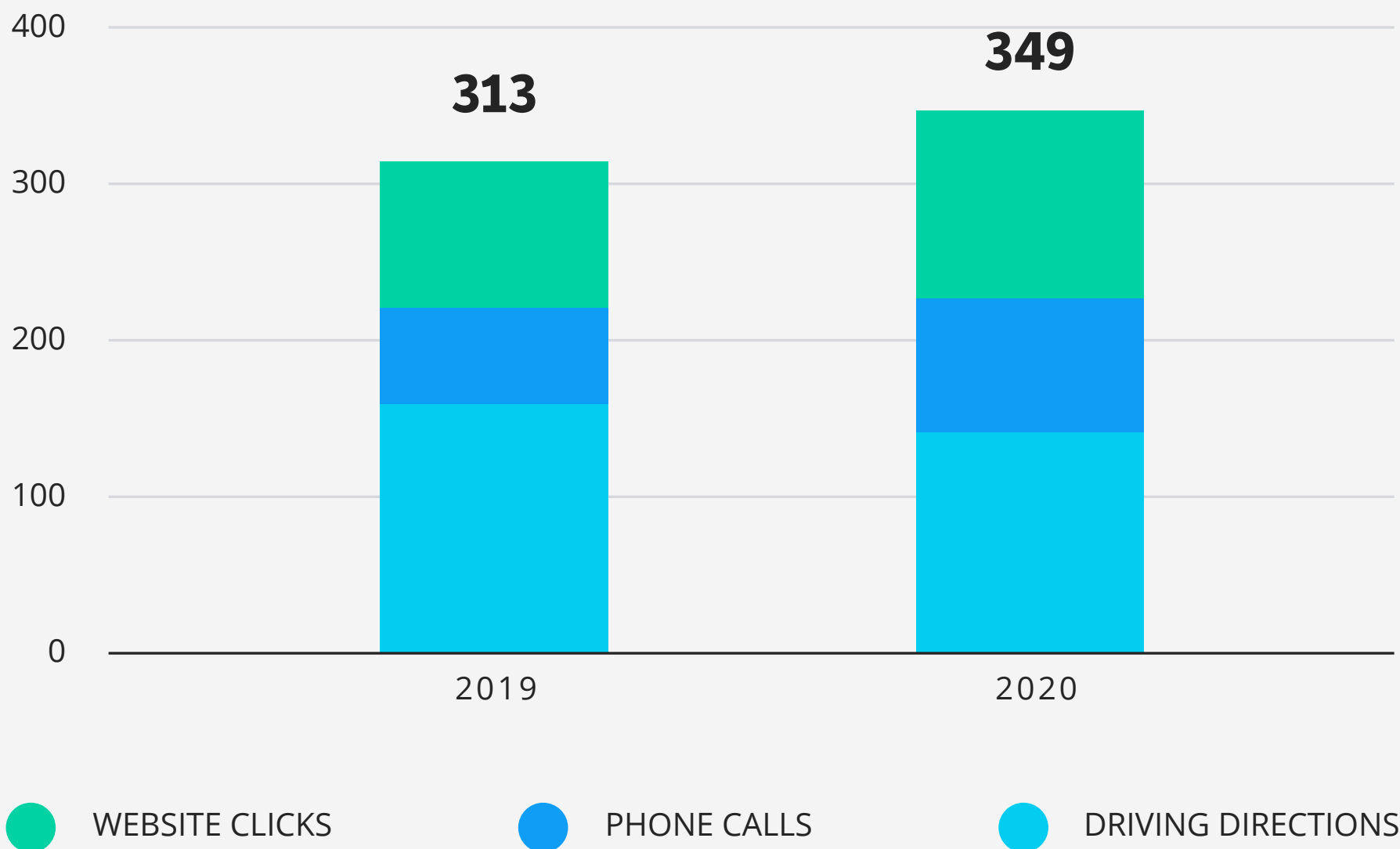# Grew 11% Despite COVID

Online to offline wasn't the only type of activity that saw an increase in 2020. The average number of actions on a business location (i.e. consumers asking for directions to the store, the telephone number or to visit the website) grew by 11 percent, from 313 to 349 per month, per listing.

The increase is mainly due to the significant growth of clicks to phone calls and websites by 37% and 32% respectively. Directions clicks decreased because lockdowns in many countries meant more people stayed home.

What does this mean?

In 2020, consumers performed 8% more local searches. Hence, the increase of 'near me' searches continues.

A growth in search volume is the basis for growth in engagements.

In 2020, consumers couldn't engage in person as often as they would have in 2019. As a consequence, they sought alternative, and safer, ways to find information.

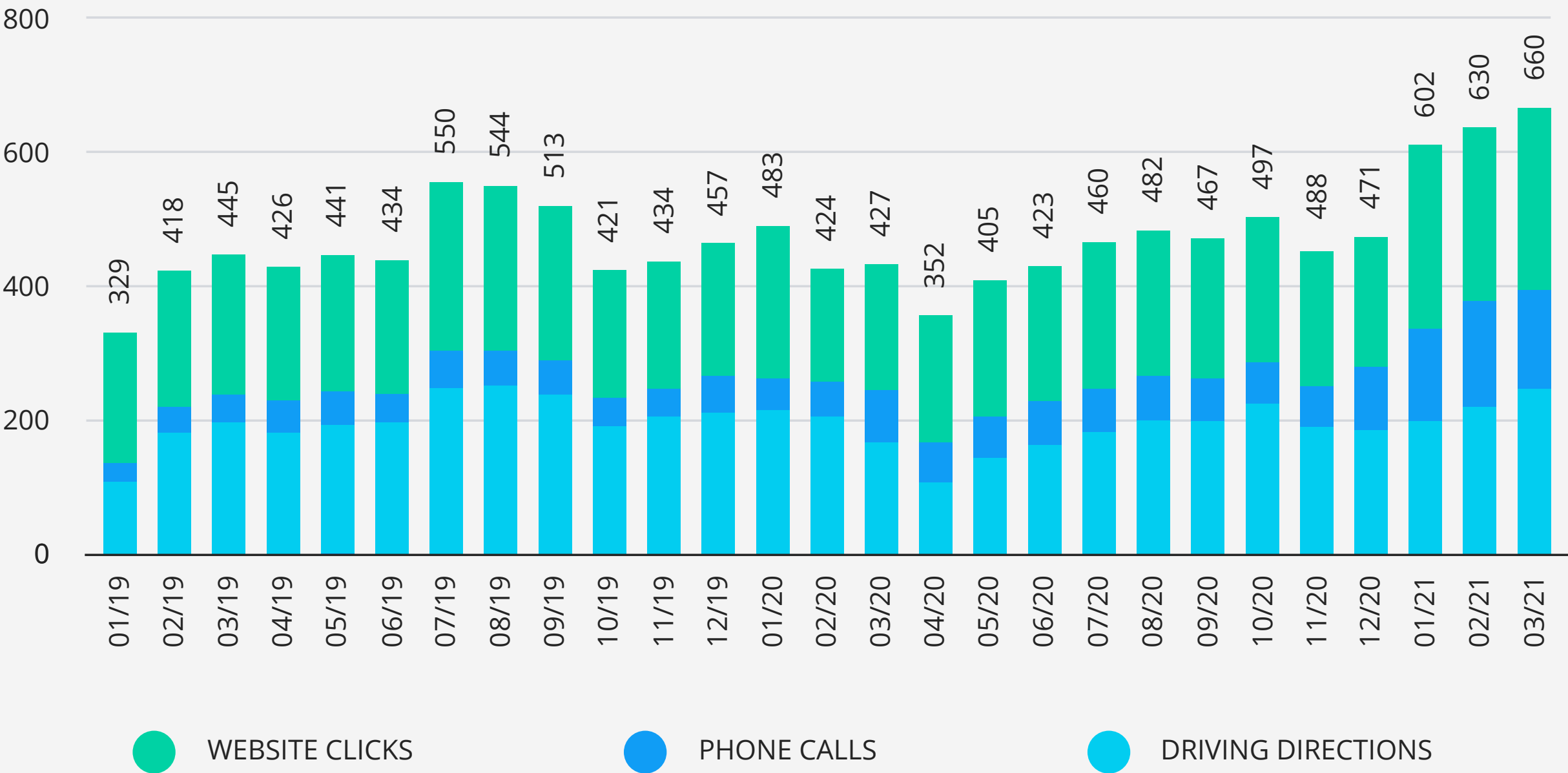**Average Monthly Actions per Listing (Global)**

Bar chart showing 2019 total of 313 and 2020 total of 349, stacked by Website Clicks, Phone Calls, and Driving Directions.

- WEBSITE CLICKS
- PHONE CALLS
- DRIVING DIRECTIONS

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U.S. Consumer Engagement **Roars Back in Q1 2021**

Safety issues and consumption restrictions affected business visits in 2020 leading to a slight 1% decrease of click to actions per listing. However, Q1 2021 saw a dramatic uptick in actions, an upward trend that will likely continue throughout 2021 as businesses reopen.
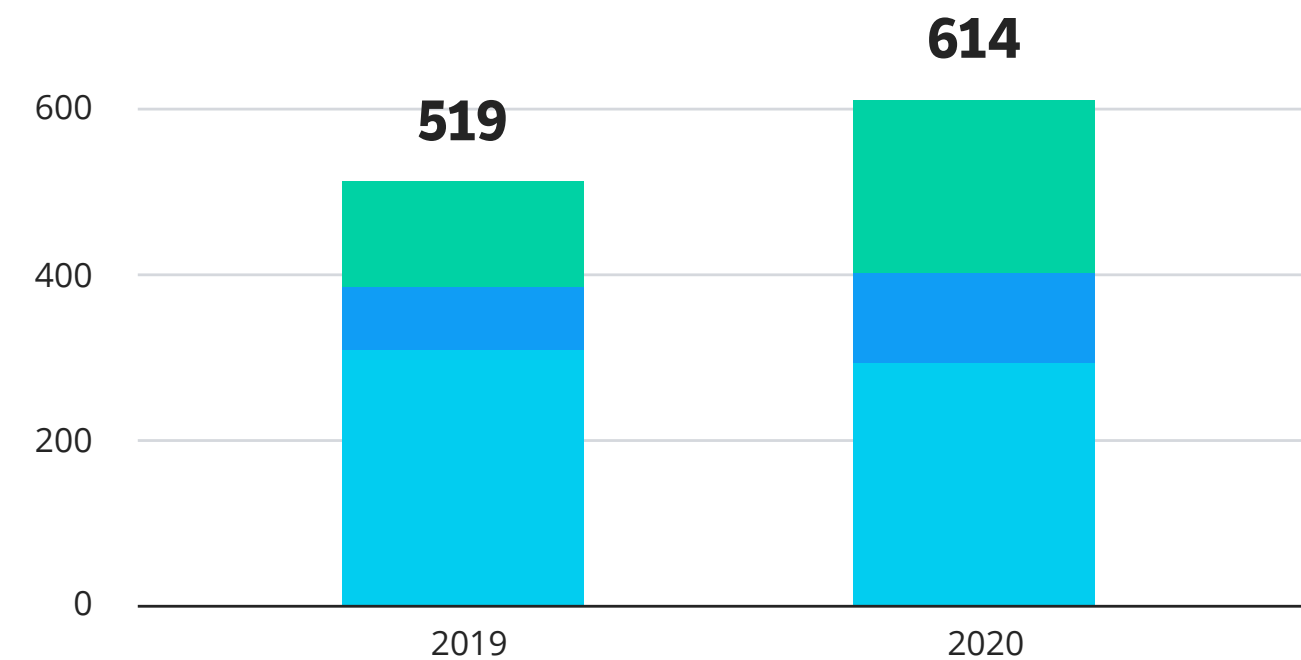
Average Monthly Actions per Listing (U.S.)

Month	Total
01/19	329
02/19	418
03/19	445
04/19	426
05/19	441
06/19	434
07/19	550
08/19	544
09/19	513
10/19	421
11/19	434
12/19	457
01/20	483
02/20	424
03/20	427
04/20	352
05/20	405
06/20	423
07/20	460
08/20	482
09/20	467
10/20	497
11/20	488
12/20	471
01/21	602
02/21	630
03/21	660

● WEBSITE CLICKS   ● PHONE CALLS   ● DRIVING DIRECTIONS

Retail, Finance and Services
Engaged More Customers in a 'COVID Safe' Way

Retail, finance and services industries were mainly able to improve their average clicks because their customers were able to make more frequent use of distance-proof conversion methods: phone calls and website visits.

The following graphs display the development of average actions per listings from 2019 to 2020:

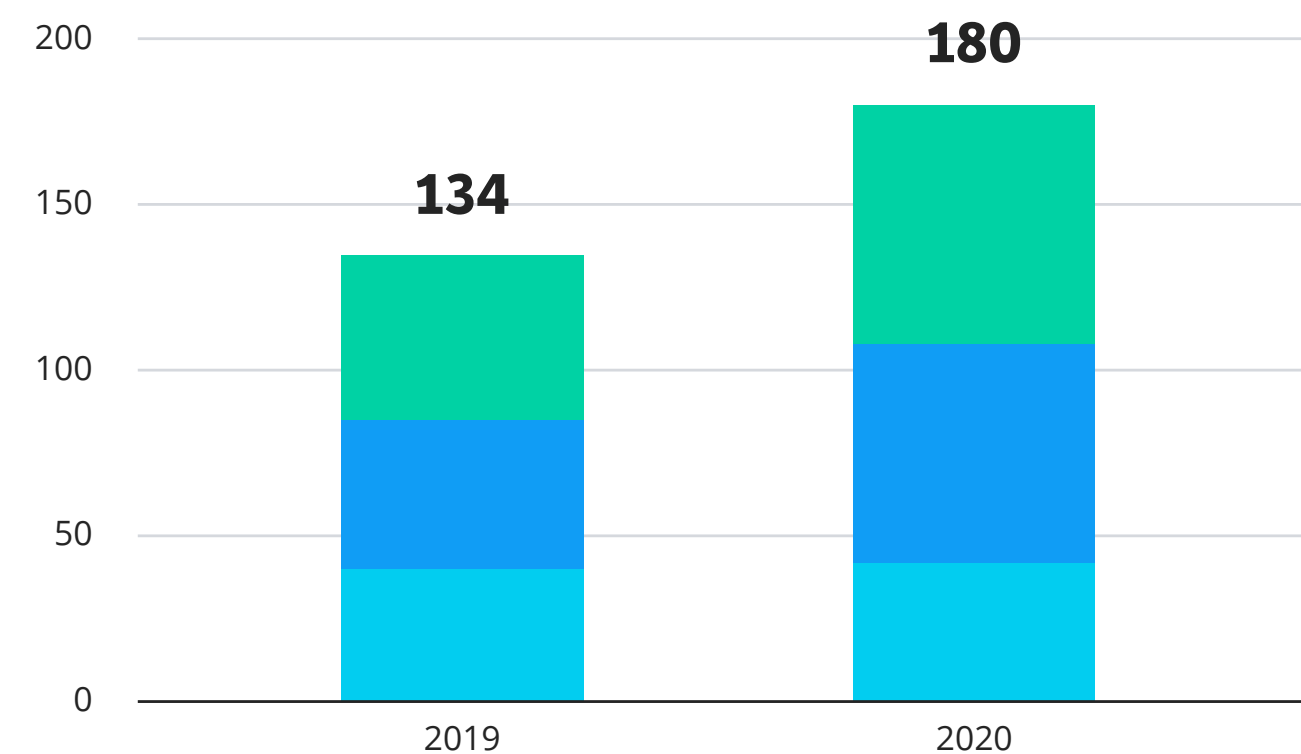## Monthly Actions per Listing (Global Retail)

Actions in the retail industry grew by +18%, thanks to an increase in phone calls and website clicks. Website clicks suggest a strong shift towards e-commerce. Clicks for directions decreased minimally.

## Monthly Actions per Listing (Global Finance)
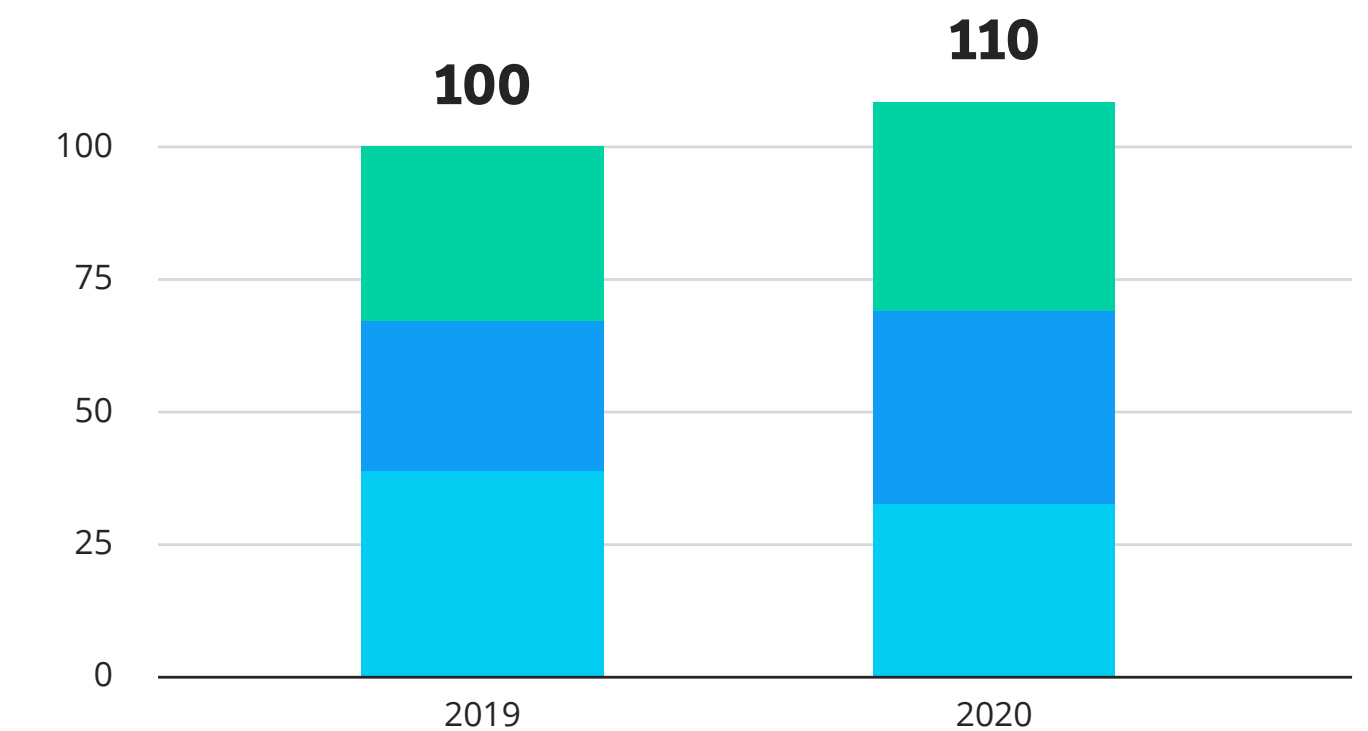
Financial and leasing services grew by +10% YoY with a large shift to phone conversions, which grew by +29%.

Monthly Actions per Listing (Global Businesses & Services)

While requests for directions within businesses and services didn't change at all, phone-call clicks grew by +46% and website clicks by +48%. Non-physical offerings allowed this segment to grow their conversions by 34%.

Monthly Actions per Listing (Global Government & Public Sector)
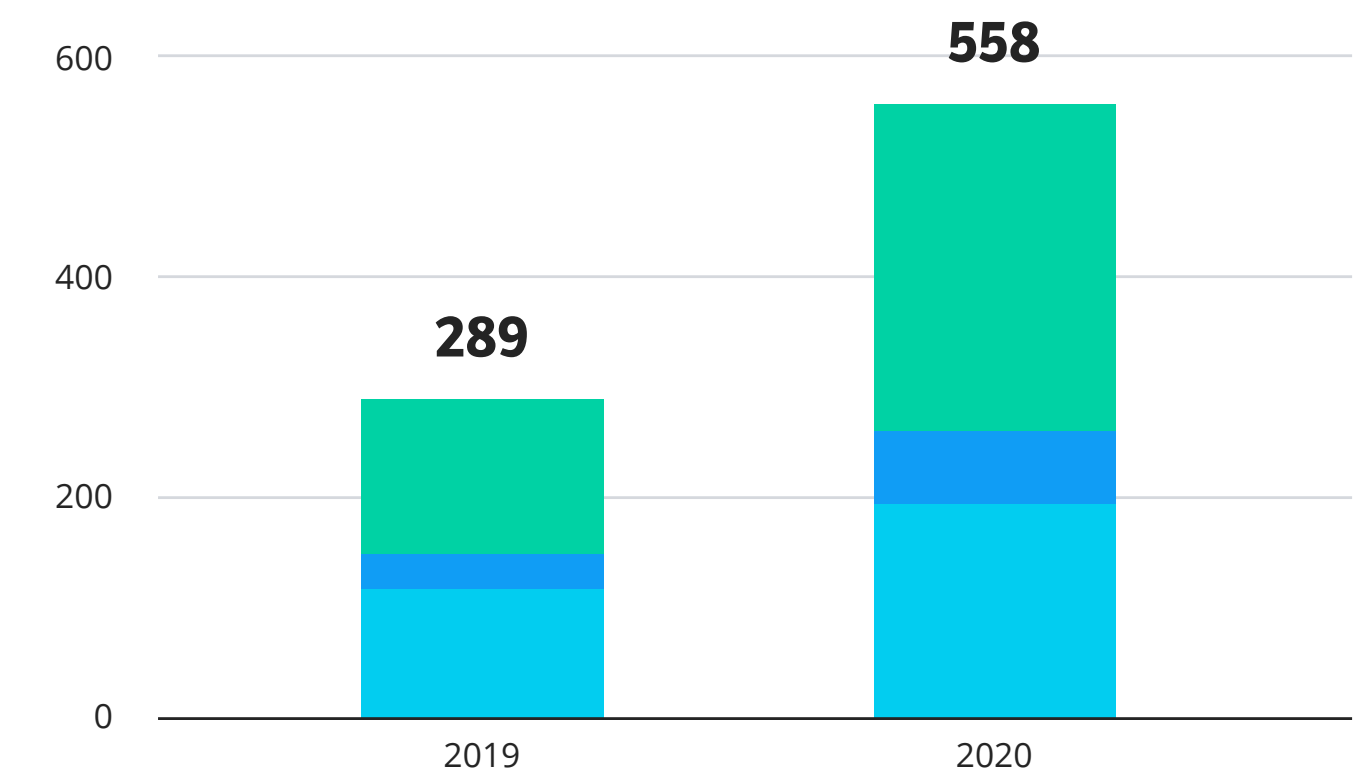
A +115% growth on website clicks suggests that citizens sought information that governmental institutions didn't provide on their GMB profiles already, e.g. information on COVID-specific regulations, test centers, etc.

● WEBSITE CLICKS   ● PHONE CALLS   ● DRIVING DIRECTIONS

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Travel and Other 'Non-essential' Industries Made Less Conversions

In the restaurant, entertainment and travel industries, which were heavily restricted in 2020, there was a decrease in clicks for almost all conversion types.

This isn't too surprising considering that these industries are strongly connected to in-person conversion experiences, which couldn't be substituted completely by a website visit or phone call (with the exception of restaurants that started delivering meals).
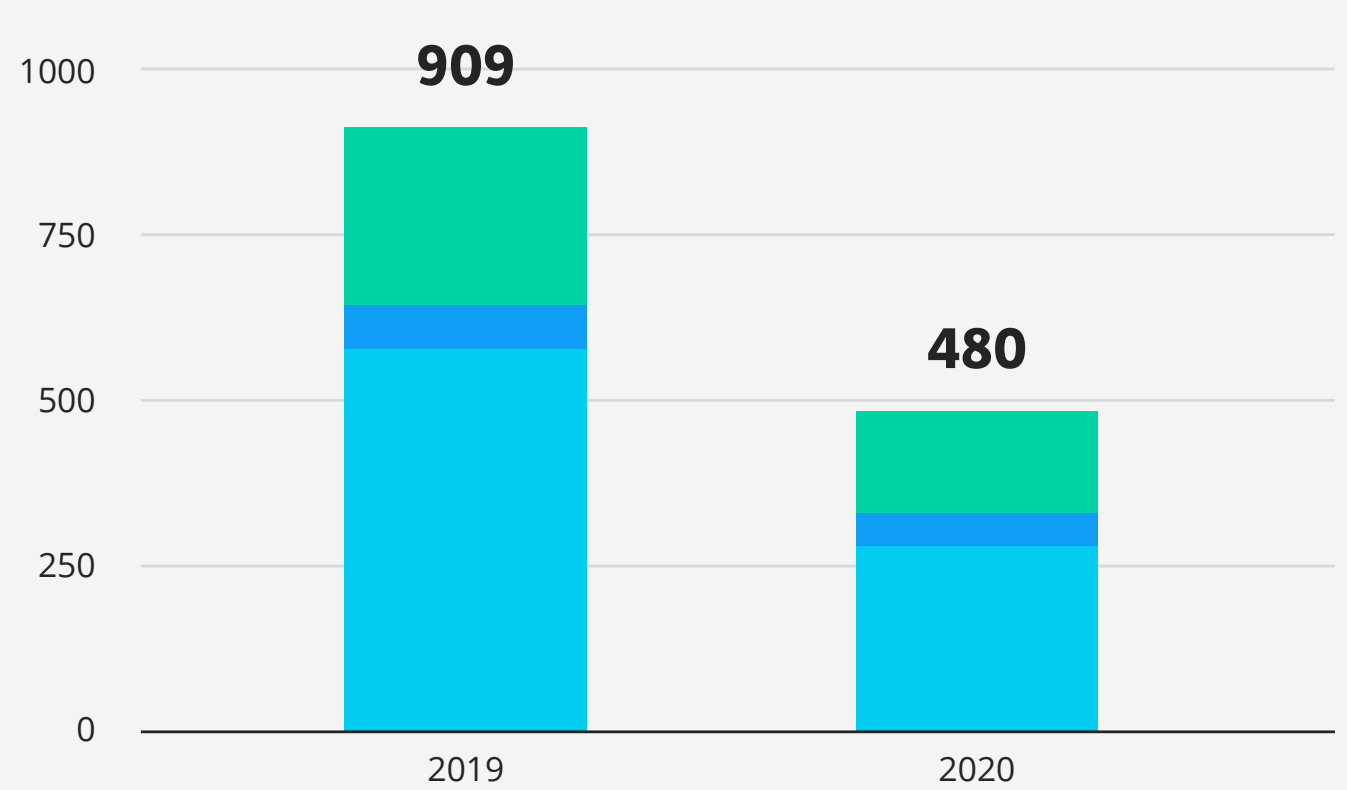
Average Monthly Actions per Listing (Global Restaurant)

473 (2019)
384 (2020)
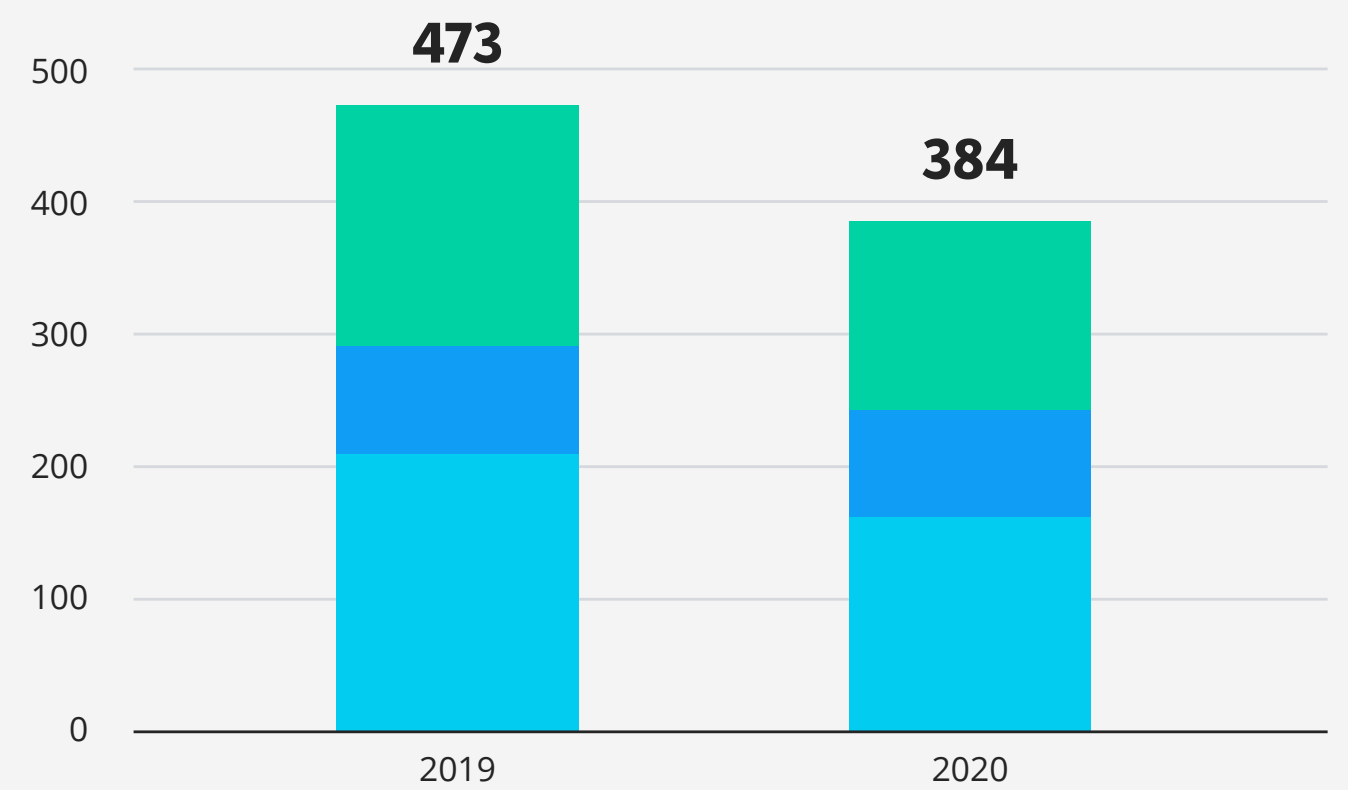
Restaurant listing actions decreased -19% YoY with the largest decrease in clicks to directions.

Average Monthly Actions per Listing (Global Travel)

909 (2019)
480 (2020)

Travel listings saw the greatest decline in actions at -47% YoY. Not surprising given extensive travel restrictions in 2020.

Average Monthly Actions per Listing (Global Social & Entertainment)

592 (2019)
404 (2020)
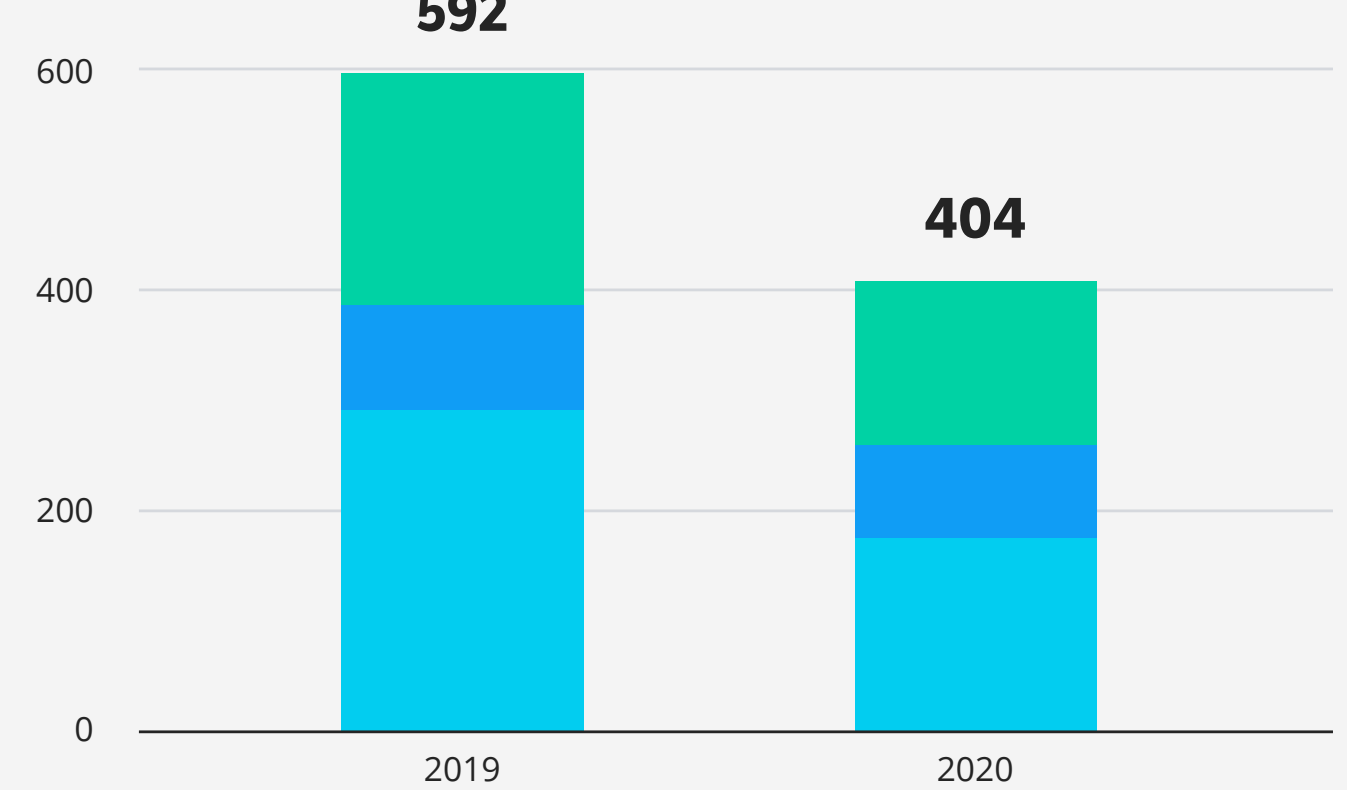
Social and entertainment industreies were also greatly impacted by the pandemic with a -32% YoY decreasein clicks to listings.

● WEBSITE CLICKS　　　● PHONE CALLS　　　● DRIVING DIRECTIONS

Healthcare Saw a Steep Decline in Clicks-to-Directions

In Healthcare, direction requests decreased by 51%, while clicks to websites and calls remained stable. This could represent the notion that people delayed routine check ups and elective procedures, relied more heavily on telehealth alternatives, or couldn't afford to visit a doctor due to unemployment.

Average Monthly Actions per Listing (Global Healthcare)
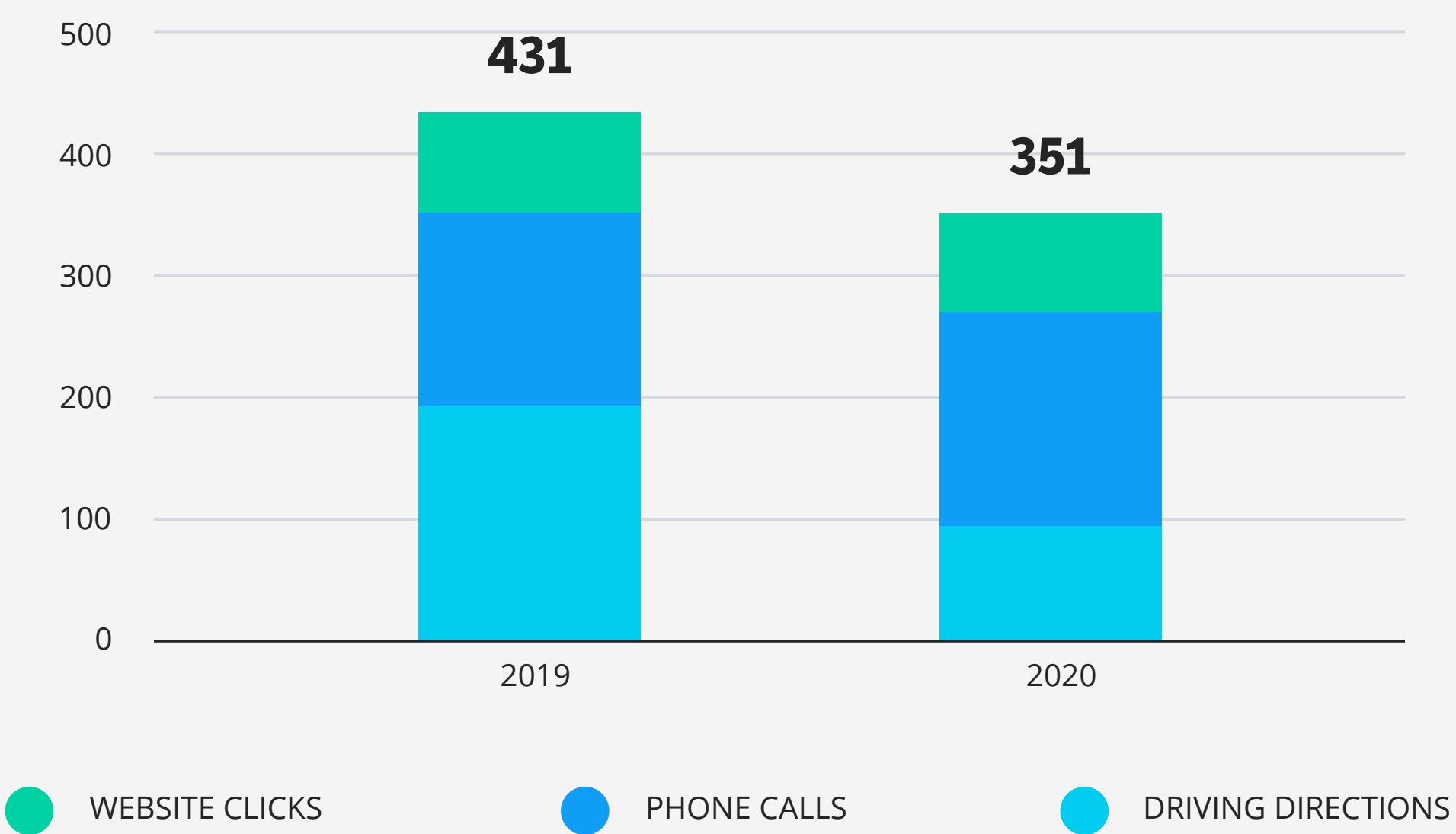
431 (2019)

351 (2020)

- WEBSITE CLICKS
- PHONE CALLS
- DRIVING DIRECTIONS

Embrace the Hybrid Customer Journey

Embrace the Hybrid Customer Journey

One of the most significant takeaways from this survey is the realization that consumers prefer to find a local solution, but if it's not convenient they won't buy local.

This finding should raise an alarm for any marketer who isn't already doing everything in their power to make the hybrid, non-linear customer journey as convenient as possible. To achieve an optimal hybrid customer journey, local marketing strategy should be informed by best practices like these:

To achieve an optimal hybrid customer journey, local marketing strategy should be informed by best practices like these:

1 Make your customer's convenience #1.
Consumers will shop local if you make it easy for them to do so.

2 Expand your channels.
Provide options so consumers can engage with your brand when and how they prefer.

3 Be relentless about keeping your business listings up-to-date.
Stale information and errors can cost you customers.

4 Empower local teams to proactively engage with your audience.
Local expertise and authenticity are rewarded by consumers.

" **Businesses have to be able to fluidly move between offline and online, and combine those assets to create the most convenient experience for the customer.** "

Greg Sterling
VP Market Insights, Uberall

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1

Prioritize Your Customers' Convenience

Many believe that consumers will consider and support local businesses over online options as we exit the pandemic. Our consumer survey confirms this.

- While digital is still on the rise, remember that, **your physical locations are still a critical asset and represent convenience** to your customers. Your customers appreciate an immediate solution and alternatives like curbside pick up, online ordering, quick delivery, or BOPIS (buy online, return in store).

- There is growing evidence that these new options are not solely an interim response to the pandemic. Consumers will continue to base their purchasing decisions on what they find to be most convenient at the point they are ready to buy.

Go-Forward Recommendation: Be flexible and consider how to make the consumer journey as attractive as possible. If you can, offer options like curbside pick up, home delivery, in-store returns etc. to win your customers' loyalty.

2

BEST PRACTICE

Invest in Expanding Your Channels

As we've established, marketers shouldn't rely on their business locations alone to drive sales. Many location-based businesses looked for ways to digatize their offerings during the pandemic:

- Many retailers leveraged an online shop as a complementary pillar and/or used a marketplace to sell their products.

- Service-based businesses from finance to health and wellness, were able to offer their services with less dependency on their location – be it by virtual meetings, online forms, digital content and more.

- Restaurant and other food industries embraced takeout and delivery services.

Go-Forward Recommendation: It's not only about where you sell your products and services, but also on which channels you communicate with your target audience. The channels have diversified and one of the big marketing tasks will be to sync all of your efforts.

Make sure you're wherever your customers are most likely to look for you.

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3 BEST PRACTICE
Be Relentless About Keeping Listings Up-To-Date

During the pandemic location-based businesses recognized the growing importance of channels like Google My Business to build trust online and drive traffic offline.

- For location-based businesses, local listings are quickly becoming the bridge between the online and offline world.

- With consumers conditioned to start nearly every purchase journey online, as we exit the pandemic it is more important than ever that location-based businesses are optimizing their local listings.

Go-Forward Recommendation: Don't just think of your listings as an after thought, your listings are arguably more important than your website. Your listings need to have complete and accurate information including address, hours, product/service/menu offerings; your reviews should be managed and responded to; local photos should reflect the business in the best light, and any extra opportunities to promote offers should be utilized.

4 BEST PRACTICE
Be Authentic in Your Local Engagement

During the pandemic consumers became more locally-minded and value driven. Brands that were able to authentically engage with consumers on this level established deeper trust and loyalty.

- Even multi-location brands got in on the action. The most successful brands empowered local store operators to give-back to the local community and get involved.

- These businesses not only promoted what they were doing via email, they engaged in the conversation via social media and by responding to reviews – where customers truly get to know local brands.

Go-Forward Recommendation: Build on this success. Empower and incentivize your local store operators to continue to engage with the community on a local-level and in an authentic way. Focus their efforts on the areas where local expertise can have the biggest impact – social media, review solicitation and review response, and give-back efforts. And finally reward and recognize the stand-out locations for their good work.

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UBERALL + MOMENTFEED:

Leading Global Force for 'Near Me' Customer Experience

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Welcome to the
New Era of 'Near Me'

As marketers today, we can no longer think of online and offline as separate strategies. As soon as we make it all about the customer, we realize that their journey has become ultimately hybrid and often starts online. Consider that:

- 58% of retail sales will be influenced by digital by 2023. (Forrester)

- 95% of consumers read an online review before making a decision to visit a business locally. (MomentFeed Survey)

- Local search activity intensified amid COVID, with "support local businesses" growing by over 20,000% year-over-year (Google)

- Two-thirds of consumers consider national brands with stores to be local businesses. (Uberall survey)

Businesses need to respond by making their services more convenient, ubiquitously visible and customer-focused. Thankfully, this is not as difficult as it might sound.

Multi-location brands that proactively manage their 'Near Me' customer experience will drive greater visibility and preference with more nearby customers, ultimately boosting revenue.

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The 'Near Me' Customer Journey

1. Make your business and stores visible online
FIND YOU

2. Impress visitors with a strong online presence
LIKE YOU

3. Guide new customers to your stores
BUY YOU

4. Take advantage of personal dialogue
RECOMMEND YOU

5. Make a lasting impression on your customers
COME BACK

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A Leading Global Force for 'Near Me' Customer Experiences

Together Uberall and MomentFeed are creating a new, more powerful 'Near Me' Customer Experience platform with unsurpassed capabilities and global reach. The combined company manages the online presence of 1.35 million business locations, including many of world's most recognizable multi-location brands like

Starbucks, Avis, Cricket Wireless, Jersey Mike's, BP, KFC, Marks and Spencer, McDonald's and Pizza Hut. Together with its customers and partners the combined entity will continue to bring market innovations that help chain brands connect with more consumers locally.

Like this study? Share it.

Influence the Hybrid Customer Journey

SPEAK WITH AN EXPERT

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