

BLING MEDIA

Location-Specific Social Networking: The Next Stage in Marketing Evolution

Introduction

Location-specific social networking is an emerging phenomenon that promises to revolutionise the way traditional digital media advertising operates. While Google and other search engines have in the past used keywords to provide targeted advertising, the context of location has, to a large extent, been left by the wayside. Traditionally, search engine advertising was not designed to take into account the users location, aside from their IP (internet protocol) address. This IP address could give the users approximate location so that advertisements would be served relative to the state or country in which the user is located. However, there are significant shortcomings with this approach; for example, providing targeted digital media on a users mobile device when they arrive in a particular store would have been technically unfeasible.

With the introduction of present generation "Smart" phones, such targeted advertising has the potential to become a reality. The key technology which enables these opportunities relates to GPS (Global Positioning System) technology which supersedes the IP addresses information which would have previously been the key source of location-based information. GPS was originally used in the marine industry, aviation, and military applications, amongst others. The reduction in costs for GPS technology has resulted in its integration in mainstream consumer mobile devices such as mobile phones.

Location-Specific Networking: What's in it for me?

A number of start-ups are hoping to capitalise on the emerging trend of location-specific social networking. One of the most notable at the present point in time being Foursquare.com who provide awards in the form of badges, such as "Mayor" to users who visit locations frequently. Other companies, such as social networking giant Facebook, have adapted their platforms to cater for GPS technology with the introduction of their Facebook Places application.

The key benefit of location-specific social networking is that it brings the social element in closer alignment with the natural desire of human interpersonal engagement. For example, users could use the technology to locate friends via GPS and arrange a meeting. This interpersonal engagement provides a range of opportunities for marketers to capitalise on the social aspect of user interactions. For example, an online advertisement for a new movie in a nearby cinema could be displayed on a GPS-enabled device using a map application. The user could also see all his or her friends in the local vicinity using the same application, which may spur the user into attending the movie with a

nearby friend. It's this sort of spontaneity of action that separates the experience from traditional keyword-related advertising.

One can also deduce that location-specific marketing will be an integral part of the Satnav (Satellite Navigation) industry as well as the automotive industry, who will seek to capitalise on users attention to in-car satnav systems. Google have also indicated their intent to enter the in-car advertising domain with their disclosure of their self-driving car prototype. The self-driving element, is of course where Google hopes to earn advertising, as drivers will no longer have to concentrate on the road, and instead will have more time to concentrate on in-car media content and entertainment.

Looking to the Future

Despite the benefits of location-specific social networking and the opportunities it presents, questions remain over the long-term popularity of the trend. Safety and privacy are the most prevalent concerns amongst users. Usage of Facebook indicates that younger users are less inhibited about privacy concerns, however as younger users become more sophisticated and more aware of the risks of disclosing personal information and location in a public domain, the benefits of the technology may be undermined.

Marketers must look forward and consider the implications of location-specific social networking for their brand and company, the risks involved, as well as the possibilities available. Marketers must also consider a reality of hyper-competitive advertising. For instance, a user could be in one department store and may observe an advertisement with a better offer from a nearby competitor while using a location-based social networking site on their mobile phone or other mobile device.

Additionally user profile information such as age, gender, marital status, in combination with location-based information can provide marketer with extremely targeted communications, which are even more relevant to the context in which the user finds themselves.

About the Author



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