FINDABILITY AND PERFORMANCE: A GUIDE TO DIGITAL MARKETING FOR FRANCHISE AND MULTI-UNIT BUSINESSES

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FRANCHISES ARE LIKE SNOWFLAKES:

While each one is different, they are all made of the same elements and by sticking together they can have a powerful impact. Successful franchise operations recognize their unique position and develop strategies that move the franchise forward as a whole while providing support for individual locations.

Franchise search marketing solutions are also unique from strategies developed for a single organization: goals have to be met for both corporate headquarters and hundreds or even thousands of franchise owners. Within a franchise framework there are also many different structures for how corporate funds (or doesn't fund) individual store marketing budgets. Whatever the size or structure of a franchise, the ultimate objective is to reach the targets set by corporate while making each individual franchise owner pleased with the results.

For the purpose of illustrating concepts in this paper we will use a fictional turkey burger franchise named GobbleBurger. This is a typical franchise with a corporate office, 400 locations nation-wide and individual franchise owners with their own marketing budgets. The franchise is expanding, but corporate believes the growth is just scratching the surface of the potential.

Introduction

SEARCH MARKETING FOR FRANCHISES FALLS INTO THE CATEGORY OF "LOCAL PAID SEARCH," WHICH IS A RAPIDLY GROWING SEGMENT OF DIGITAL MARKETING.

Paid search is a model of internet advertising used to direct traffic to websites via pay per click advertisements. With search engines, advertisers typically bid on keyword phrases relevant to their target market. Users searching for local information and clicking on local ads are a large portion of internet traffic. In May of 2011 Google representative Marissa Mayer presented data showing 20 percent of searches on Google properties and 40 percent of mobile searches are local in nature.

This sizeable group is composed of desirable consumers looking for goods and services in their own neighborhoods. They are typically further along the purchase cycle, more likely to convert, have a lower cost per lead and higher conversion rate. According to comScore, once searchers find a local business, more than 80 percent of them make contact offline. Forty-six percent contact by phone, 11 percent contact the business online and 37 percent actually visit the business in person. These numbers show why investing in local search marketing is a crucial part of any franchise marketing budget.

The Local Space

EVERY SOLID STRATEGY STARTS WITH A PROCESS.

Developing this process is crucial because money is lost every day in paid search when budgets are allocated without guidance. Having a clearly defined process helps drive consistency between corporate policy and individual location's results. The process below is an excellent road map for a digital campaign:



The Process

DISCOVER

The process begins with Discovery. The phase includes extensive research into the client and the market: Who is the client? What are the client's goals? How are their customers finding them online? Who is the competition?

This chart shows what Discovery research might reveal about GobbleBurger:

Fig. 2 GobbleBurger Discovery results

| GOBBLEBURGER DISCOVERY | | |
|----------------------------|--|--|
| What are the brand values? | Healthy, Fast, Fresh | |
| Customer Demographics | Male/Female even split Ages 21-45 Middle income | |
| Product/Service Offering | GobbleBurger Deluxe Fresh salads Kids meals Hand-spun shakes | |
| Hours of Operation | 7 days a week Open 11:00 a.m10:00 p.m. | |
| Competition | Chik-Fil-A Qdoba Smashburger | |
| Goals | Increase store traffic Increase sales Promote specials Increase awareness against competitors | |

Goals are a very important takeaway from the Discovery portion of the process. Defining key performance indicators (KPIs) allows corporate to set benchmarks, judge the effectiveness of the program and share results with franchise owners. GobbleBurger defines its goals for the search marketing campaign as increasing store traffic and sales, promoting specials, adding members to their loyalty program (the "Gobblers") and signups for the newsletter, The Turkey Trot. Determining success on these metrics will be done during the Analyze portion of the process.

CREATE

During the Create stage all of this knowledge is used to develop content that reinforces existing brand messaging. This stage starts with an overall strategy, which provides guidance for creating websites, landing pages, keywords and ad copy.

What are the best channels, messages and optimizations for this campaign? Will the campaign managers choose to partner with major search engines or local and mobile partners as well? Which keywords should be targeted? Answering these questions based on the research and demographics uncovered during the Discovery phase will set the campaign up for success.

A very helpful tool during this stage is Google Think Insights. Think Insights takes case studies created for almost any demographic and provides information about how that group is spending time online.

Google Think Insights may tell the researcher that GobbleBurger's younger demographics indicate customers are spending the most time on content sites, search engine results, Facebook, Foursquare and Twitter. Informed strategy decisions can be made from this information. For example, since these consumers consume large amounts of content online, display ads should be included in the budget.

The next step is looking at the analytics for GobbleBurger's website to develop keyword lists (if the site does not have analytics already, Google Analytics is a free solution that is simple to install and provides a good deal of information). Which keywords are already performing well? If "healthy burger" drives a significant amount of traffic to the GobbleBurger site this term should be included in the ad copy. Additional tools for developing keyword lists include Google Analytics, IndexTools, Unica and Omniture.

Once the keywords are defined, ad copy creation can begin. Once again, take the lessons learned during Discovery to appeal to customers and encourage them to click. Local search terms are very important for franchise paid search, as is utilizing the display URL and location extensions.

Fig. 3 Paid search ads featuring location extensions



Creation of landing pages goes back to the key performance indicators: no matter what the site visitor's goal, the path to conversion should be as simple and easy as possible. Ensure each franchise location has its own page to create a local feel for the consumer and allow for customization. More advanced strategies include multivariate testing for landing page layouts and forms to see which combination of elements garners the best results. Creating a targeting plan is another tactic to maximize a paid search budget. Targeting parameters can be defined for ranges surrounding store locations or areas with high customer density using a sales database or defined marketing areas. Corporate typically dictates targeting to each franchise to avoid creating overlap as that may have a negative impact on the campaign.

There is an additional step in the Create phase for franchises. It's critical to create a communications strategy at this point to define how tasks, objectives and results will effectively flow between corporate and the franchise owners. Some tools to streamline communication include help centers, intranets, customized interfaces and centralized reporting dashboards. If a company has outsourced its search marketing to a firm, that firm should provide attentive and responsive account managers who are responsible for answering questions from franchise owners. Regular reporting is also important to keep owners informed. For example, every month each GobbleBurger franchise owner should receive an email report showing an overview of the KPI's compared to the previous months and the previous year.

ENGAGE

During the Engage phase all of the research and strategy are put to the test as the campaign goes live. First, the campaign is set up on search networks. This is where geographic locations, day/time parting and types of activated devices are chosen. Google AdWords is a very commonly used platform for this in the search marketing industry as Google accounts for 60 percent of online traffic. If the campaign budget only allows for one platform, choose Google AdWords.

As a single example of the power of AdWords, San Francisco restaurateur Shahram Bijan opened his first restaurant in 2001 and used AdWords as the primary marketing tool. His website went from 200 unique visitors a day to 800. Bijan opened a second and third restaurant and is working on a fourth location, showing AdWords can make the most of a limited marketing budget.

Fig. 4 Google AdWords campaign set up page



The options in the Bing/Yahoo! network are also similar. Bing/Yahoo! holds approximately 40 percent of the market share, so it is recommended to set up campaigns in both networks if the budget allows.

GobbleBurger's marketers should revisit the demographics before setting up a paid search campaign. Since the existing customer base skews younger, features such as tablet ads should be enabled. If there are no franchise locations in the state of Utah, that geographic area can be excluded. Also, since the restaurants aren't open 24 hours a day the campaign should be set for ads to appear after 10:00 a.m. and end at 10:00 p.m. each day. Be aware of the time zone associated with the account, and set live times to account for these differences. For example, if an account is set to Eastern Standard Time the campaign must be set to start at 1:00 p.m. and end at 1:00 a.m. the following day in California.

In terms of paid social media ads, Facebook is an excellent choice for very granular targeting. Ads can be shown to only consumers with specific likes and interests. GobbleBurger may use demographic knowledge to inform decisions about those ad buys, such as targeting people with "Likes" on health and fitness, or Interests in organic food, healthy recipes or working out. It is even possible to target users who "Liked" the competition (e.g. Chik-Fil-A, Qdoba, Smashburger). Certain geographic areas can also be targeted by indicating the state/province, city or zip code.

Fig. 5 Facebook targeting options



Foursquare and Twitter are two additional social media channels that can be utilized in a campaign with no up-front costs. Foursquare is currently one of the most popular check-in services, with three million daily check-ins. Check-in services are mobile web applications that allow users to register at locations as they visit them, see who else is at the venue and share activity with friends. Joining and using Foursquare can provide a valuable channel for engaging with local customers. Each franchise location should claim their location and keep the information up-to-date. Business owners can simply visit the site and register as the company. It is important to check on the listing periodically to correct any inaccurate information because it is not password protected.

There are many ways of connecting with local customers through check-in services like Foursquare. A franchise owner can offer coupons or incentives for customers who check-in frequently. For example, a GobbleBurger franchise could offer a free shake with every five check-ins at that location. It is also possible to leave "tips" on other businesses nearby. Say a GobbleBurger is next to an oil change shop. The location owner or communications manager can leave a tip on the shop's Foursquare profile so if a customer checks in to the shop, the tip will pop up saying, "Got 15 minutes until your car is ready? Come grab a healthy snack at GobbleBurger!"

Twitter is another social media channel that can be utilized effectively for franchises. It is certainly recommended for the corporate headquarters to run a Twitter feed engaging followers nationwide, but also for individual locations to create a profile and participate as many users would prefer to connect with the GobbleBurger down the street. Monitoring and participating in Twitter allows local businesses to understand community attitudes, segment their audience and hone in on target markets. Twitter allows users to add a location to each tweet they send out, placing a geographic pinpoint on each message. Additionally, Twitter users often include location data in their tweets. Businesses can monitor local tweets to determine hot topics and potential customers in a specific geographic area. By selecting a metropolitan area from the Trends menu in the right sidebar, a location can receive an ongoing list of trending topics. The current options are only larger cities, but Twitter is adding more constantly.

Fig. 6 Localized Trends menu, topic trend feed is included on the right sidebar of a profile on Twitter.com. You can also change to an entire country to see those trends.



A local business can hop on a trending topic and incorporate it into a tweet. If a Gobbleburger in San Francisco sees "Women's Heart Week" trending with the hashtag #womenshearthealth, it may tweet, "Ladies, stay heart healthy and choose turkey burgers! #womenshearthealth." Businesses can also see what customers are saying about their competition by monitoring competitor's feeds and mentions. As with any social media, a successful Twitter account inspires conversation and engagement rather than just pushing out marketing messages.

Along with all of the strategies above, additional Engage tactics include site links and call extensions. Adding site links to paid search ads increases the real estate on search results pages and can include specific products or features. In some cases they can increase click through rate by up to 10 percent, according to Google and Search Engine Watch. Call extensions on paid search ads enable click-to-call functionality, which is very important for mobile users. When a user searches for a franchise, the closest franchise phone number is pulled based on the phone's GPS location. Google's reporting interface shows the number of calls from each ad and even more detailed information about call traffic if the Call Metrics feature is enabled.

ANALYZE

Call tracking brings us to the next stage: Analyze. Analyzing results allows marketers to evaluate performance and gain actionable insights.

GobbleBurger's key performance indicators were defined as clicks, coupon downloads, "Gobblers" loyalty program additions and The Turkey Trot newsletter sign ups. How can these goals be measured? Google Analytics can track clicks, but also so much more. This powerful suite of tools gives insight into visitor traffic and behavior on site. For example, KPI's such as coupon downloads and newsletter sign ups can be tracked as goals. Google Analytics can track the site's bounce rate, average time on site, page views and many other parameters. All individual engines have their own tracking, but an analytics or reporting package is the best way to get an overall view of an online marketing campaign's performance.

Fig. 7 Google Analytics dashboard



As previously stated, once searchers find a local business, 46 percent of them make contact by phone. Call measurement helps bridge the gap between online and offline marketing and provides insight into what happens after they get off the computer. Since most searchers looking for a local business are either going to call or visit a store, this is a way to measure that activity. Some analytics programs also provide call recordings, which can also be used for customer service training and improvement.

Analyzing return on investment from Facebook ad spends can be done on a number of parameters. Facebook provides analytics reports for advertising campaigns to display performance and social relevancy at both the ad and campaign level. Performance metrics include:

- Clicks
- Click Through Rate
- Reach number of individuals that saw the message
- Frequency average number of times each person saw an ad
- Social Reach number of people who saw the ad with names of their friends included in ad copy (only available for engagement and sponsored story ads)
- Connections number of people who performed a social action (e.g., Like, RSVPed to an event) within 24 hours of being shown ad (only available for engagement and sponsored stories).

Fig.8 Facebook Advertising Report



Insights from Facebook Pages can provide additional data for measuring success and optimizing ongoing campaigns. The metrics to evaluate within Facebook Insights include page views, total tab views, new Likes and reach. Reviewing the new Likes report day to day can help show the levels of engagement with ad campaigns. Reach shows the number of people who saw content during a certain time period, broken out by how users discovered content (e.g., organic, paid or viral). These insights, coupled with data from Facebook advertising campaigns, can show the amplification and effect of a brand message, and provide details which can help to make advertising and engagement campaigns more successful.

Fig. 9 Facebook Insights – Reach



Once the analytics reports are compiled and actionable insights are extracted, the communications strategy designed in Discover comes into play. Updates and benchmarks should be communicated on both the overall corporate goals and individual franchise location's performance.

OPTIMIZE

The final phase takes data from the Analyze stage and closes the loop. During the Optimize phase media plans are rewritten, bids are modified, keywords are added, click paths are adjusted and lead forms are rearranged. This is not the end of the process: it's just the catalyst for the cycle to regenerate and begin again, continually. This is what it means to manage a campaign.

Campaigns without monitoring programs will never have impressive return on investment. It also takes the right mix of both technology and people to optimize a campaign. This means having both the technology to streamline menial tasks and the talent to read opportunities in the numbers. When working with a digital partner, require the agency to provide dedicated resources for monitoring and optimizing.

Although a personal approach is necessary, Google automated tools can help manage accounts on a large scale. It is possible to set up custom alerts to send an account manager an email if there is unusual activity on the account, such as a 70 percent drop in traffic. Automated rules can also be applied. For example, a rule can be set for a campaign to be paused once it reaches \$100. Google Conversion Optimizer is another AdWords tool that can manage advertising costs around specific goals.

International franchise Meineke found that using Google Conversion Optimizer reduced its cost-per-acquisition by 50 percent.

Optimizing budgets and ad spend is a critical part of making a paid search campaign a success. The entire budget should be spent, but at the right times and in the right places. Corporate and franchise owners must work together to establish benchmarks for minimum ad spend and recommended total ad spends. Individual franchises usually have restricted budgets, so it is important to make sure the dollars are being spent optimally. Many times having hundreds of locations is considered a challenge. Make it a benefit by noting what is working for franchises with top-performing campaigns and sharing those budget techniques with other locations.

It is also recommended to optimize the local map listing for each franchise location. Local listings are the business profiles that appear in Google's Places search results. In the last few years Google has developed a trusted feed process so that franchises and multi-unit businesses can claim all locations at once. It is possible to update multiple locations at once using a bulk feed spreadsheet, but having each franchise owner take the initiative to optimize their own listing yields better results. Localizing the page with enriched content such as pictures, videos, social media links and special offers is appealing to both potential customers and search engines. Using the keywords identified earlier in the process in the text also boosts a listing in the search engine results.

Ad copy is another part of a campaign that can be optimized. With the right analytics program it is possible to determine which ads are getting more clicks and also have the best conversion rates. This is complex, as some ads may have a high click through

rate, but a low conversion rate, or a low click through rate but a high conversion rate. An ad normalization index uses a formula to determine which ad copy has the best performance on both. Copy on other ads can be changed to be similar to these high performers. This kind of flexibility is one of the best things about paid search advertising; copy can be changed quickly for optimization or to reflect new specials or seasonal promotions.

Fig.10 Ad normalization index tracking



Notes: Use of "Discount Language" increases conversion rates (Ad #1 vs. Ad #2). "Discount Language" in title line also benefits Click-Through-Rate (Ad #2 vs. Ad #3) in addition to Conversion Rates. As a result, Ad #3 has the highest Ad Normalization Index. "Find the Location Near You!" call to action appears to have no noteable positive effect on performance; will test this variable in future test variations of Ad #3.



When GobbleBurger first set up their campaign, they may have chosen to have the ads show during all hours of operation. As the campaign runs and optimization data becomes available, the day and time parting can be drilled down further so more money is spent during specific peak hours. The goal is to always be available when the core audience is searching.

Fig. 11 Campaign performance by hour



Search funnels are an emerging way to take a step deeper into analyzing and optimizing campaigns. Instead of only looking at the last click before conversion, attribution follows a consumer through their online journey, recording key touch points. For example, a user with a unique IP address clicks on the GobbleBurger newsletter link, but does not fill out the form. This address is then tagged. Search funnel analytics show that the user later clicked two coupon ads, but bounced off the site both times before filling out the form. The user finally clicked a paid search ad to become part of the Gobblers and signed up for the loyalty program. Knowing all of these steps gives a more accurate and high-level picture of a customer's path to conversion and allows for more precise campaign optimization.

A KEY PIECE TO ANY FRANCHISE SEARCH MARKETING IS COMMUNICATION BETWEEN CORPORATE HEADQUARTERS AND FRANCHISE OWNERS.

Franchise owners are in the trenches: they understand their consumer and know how to appeal to them. They pick up on local trends quickly which, through localization and timeliness, can help boost a campaign. The other part of this relationship is assistance from the corporate office to ensure brand standards are met across hundreds of locations. Corporate should also focus on providing thorough education about the advertising strategy to get buy-in from franchise owners on the front end.

At the end of the day, just launching a campaign with a hefty budget and leaving it alone won't garner the desired results. A plan that's executed on-strategy and analyzed and optimized regularly based on results will perform much better. Someone needs to be steering the ship: a campaign can't captain itself. One campaign requires three to five hours a week of attention by someone invested in ownership of the project. Whether for a single small organization or a world-wide franchise, search marketing is only as effective as the strategy and processes that are put into the campaign.

Summary

RESOURCES

- > Kelsey Group
- > comScore
- > Google Think Insights
- > Google Analytics
- > IndexTools
- > Unica
- > Omniture
- > Google AdWords
- A 10 Day Plan to Overhaul Your PPC Campaigns, Part 1
- > Search Engine Watch

Google AdWords Success Stories

- > Meineke
- > Restaurant
- > MSNBC

Resources

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About Location3 Media

Location3 Media partners with national brands to increase their findability and performance across all digital platforms. By leveraging elite certifications and industryleading experience, we help companies create efficient and effective online marketing campaigns that fit our clients' needs and deliver results. Location3 provides local digital marketing solutions to over 100,000 multi-unit retail and franchise locations nationwide. In April 2011, Location3 was named a Google Analytics Certified Partner, making us only the 31st agency in the world to be both a GACP and Google Website Optimizer Certified at that time.

Local Search Traffic (LST) provides local digital marketing to national multi-unit retail and franchise locations, ensuring seamless and efficient integration of corporate and store-level digital marketing strategies.

Founded in 2007, LST's strategic management and optimization tactics for national brands assist in generating localized traffic and increasing awareness. LST's proprietary technology platform provides the tools necessary to manage, enhance, measure and analyze digital marketing campaigns on a localized level and at scale. In December 2011, LST was selected as a Google AdWords Premier SMB Partner. LST exclusively supports franchises and multiunit businesses, specializing in personalized customer service, educational materials and support for franchisees.



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