

Geo Targeting: How Is It Helping Businesses Improve The Bottom Line?

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Maximizing the profit is the ultimate goal of every business—and there are several ways to achieve that. For instance, you can reduce your expenses and product costs or increase your product or service prices. But generally, these strategies should be accompanied by techniques that seek to increase sales and find new customers too.

There are existing technologies in the digital world that can help you meet your business goals, and [IP geolocation](#) is one of them. In a nutshell, geolocation is the process of identifying the physical location of online users.

Whether intentional or not, businesses with an online presence—that is to say, almost all businesses have become global. Right now, people from any part of the world could be browsing your website! You can confirm that by looking at your traffic analytics.

The question is, how can you convert this traffic into sales to improve your bottom line? Geo targeting or geotargeting (regardless how you spell it) might be the key to that.

What Is Geo Targeting?

Geo targeting is the process of grouping website visitors according to their geographical location and creating content and strategies based on the resulting segmentation. So, while geolocation is the technology that enables the identification of visitors' locations, geo targeting is the strategy that turns such knowledge into action.

Basic Examples of Geo Targeting

Now that you know the basic geo targeting definition, let us see how it is used.

You can immediately see geo targeting at work when you type in [google\[.\]com](#). Although the page is in English when you access it from the Netherlands, Google provides an option to display the homepage and search results in Dutch and West Frisian.



Google Search

I'm Feeling Lucky

Google offered in: [Nederlands](#) [Frysk](#)

And when you start to search for something like “restaurants,” for example, you would get the feel of geographical targeting. Restaurants located around Soest and nearby areas appeared in the search results since it is the geolocation indicated by the IP address in use.



Rating ▾ Hours ▾

⚠ Hours or services may differ

Restaurant 't Hoogt

4.1 ★★★★★ (848) · €€ · Restaurant

Soest

Closed · Opens 11AM

Outdoor seating · Cosy · Casual



Stazione Pazzo

4.5 ★★★★★ (197) · Restaurant

Soest

Closed · Opens 12PM

✕ Dine-in · ✕ Delivery



De Nijl

4.5 ★★★★★ (223) · €€ · Restaurant

Soest

Closed · Opens 3PM

Late-night food · Outdoor seating · Cosy



☰ [More places](#)

Similarly, Facebook employs geographical targeting at the onset. Even before you log in, the social media giant detects your location based on your IP address and presents the login page in your local language.

A mockup of the Facebook login page. On the left, the Facebook logo is displayed in blue. Below it, the text 'Facebook hjälper dig att hålla kontakten med vänner och familj.' is written in a dark grey font. On the right, there is a white login form with a light grey border. The form contains two input fields: the first is labeled 'E-post eller telefonnummer' and the second is labeled 'Lösenord'. Both fields have a small 'x' icon on the right. Below the input fields is a blue button labeled 'Logga in'. Underneath the button is a link that says 'Glömt kontot?'. At the bottom of the form is a green button labeled 'Skapa nytt konto'. Below the form, there is a small line of text: 'Skapa en sida för en kändis, ett band eller företag.'

Facebook hjälper dig att hålla kontakten med vänner och familj.

Logga in

[Glömt kontot?](#)

Skapa nytt konto

Skapa en sida för en kändis, ett band eller företag.

Hundreds of other successful businesses answer the question, “How is geo targeting used?” And we will highlight some of the more advanced applications later on. But first, let us take a brief dive into the importance of geo targeting.

Why Geo Targeting Is Important: Statistics You Shouldn't Ignore

Even before the rise of e-commerce and digital entrepreneurship, location has always been a critical aspect of any business, especially in the retail industry. Most entrepreneurs will tell you how location impacts a business's success.

Today, even when you do not have a bricks-and-mortar store, location is still an essential factor in your business's success.

We collated below some of the most important statistics about geo targeting that may blow your mind.

- **Users give their location data:** In the United States alone, about 15 million use apps that require them to disclose their location on a daily basis. Around nine million location check-ins are seen on the Foursquare Swarm App every day. And 70% of consumers are either willing to or at the very least neutral about sharing their personal data. It's up to you if you want to use this information or not.
- **Geo targeting results in higher sales and ROI:** Most marketers see improvements in response rate and customer engagement when employing geo-marketing. Also, 90% of marketers said that geo-targeted advertising and marketing resulted in higher sales. 86% saw an expansion in their customer base, while 84% said that their customer engagement grew when they implemented geo targeting.
- **People still search by location:** Google had seen significant growth in "near me" searches over the past two years. For instance, mobile searches for "store open near me" have increased by more than 250%. Foursquare, on the other hand, has 55 million monthly active users and three billion monthly visits globally. Even when the world has become one big marketplace, people still need products and services from specific areas, making geo targeting more relevant than ever.
- **Market leaders use geolocation data:** About 84% of digital marketers use location data to personalize offers, while 94% is planning to use geo targeting ads in the future.

Sources: [Review42](#), [eMarketer](#), [Factual](#), [NY Times](#), [Think with Google](#)

How Does Geo Targeting Help Convert Customers?

Geographical targeting can help businesses improve their bottom line as it helps expand their user

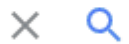
base, response rate, and, ultimately, conversion rate. Here are some of the areas you should explore when it comes to geo targeting.

Geo Targeting Marketing

As you know, Google and other search engines show results based on the user's location. So, when you search for "managed service providers (MSPs)" from the Netherlands, ads for Solipsis and Vodafone are shown first. Look at the image below. The advertisement from Solipsis can even be read in the local language.



managed service provider



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About 632.000.000 results (0,57 seconds)

Ad • get.msp360.com/whitepapers/starting-msp ▼

Starting MSP Business Guide - What Is MSP and How to Start?

From setting up the business to choosing a pricing model and onboarding your first client. Free download now! Published in 2020.

Ad • www.solipsis.nl/managed/services ▼ 088 599 1608

Managed Services Provider - Solipsis group

Haal alles uit uw bedrijf met Solipsis **Managed services**. Proactief en ervaren. Neem contact op voor een vrijblijvend adviesgesprek. Veilige IT omgeving. Altijd paraat. Moderne digitale werkplek. Snelle **service**. **Services**: Digitale werkplek, **Managed services**, IT in de cloud.
[Digitale werkplek](#) · [IT in de cloud](#)

Ad • www.vodafone.nl/ ▼

Managed Service Provider - Professioneel Extern Beheer

Internet of Things van Vodafone verbindt machines of apparaten op afstand met elkaar.
Deskundig advies, duurzame oplossing.

A **managed service provider** (MSP) is a company that remotely manages a customer's IT infrastructure and/or end-user systems, typically on a proactive basis and under a subscription model.

[searchchannel.techtarget.com](https://searchchannel.techtarget.com/definition/managed-ser...) > definition > managed-ser...

What is managed service provider (MSP)? - Definition from ...

Use of managed services among SMBs



Solipsis and Vodafone are MSPs based in the Netherlands. They use the .nl country-code top-level domain (ccTLD) so that users would likely visit either of their sites. If these MSPs do not implement geo targeting marketing, chances are their ads would be shown to people who are less likely to convert.

Geo targeting marketing allows users to send the right message to the right group of people, thereby helping them avoid the risk of spending a chunk of their marketing budgets on materials that potential customers won't relate to.

Aside from ensuring that marketing materials are shown to the right people, it would be best to also consider localizing several aspects of marketing campaigns. For instance, you are likely to get better results from using the local language and currency to make your target market more comfortable. Doing so would immediately let them know what they are dealing with and how much it may cost them.

Promotional offers can also be geo-targeted. You can launch marketing campaigns in time for Mardi Gras in New Orleans, for example, and only show those to users with IP addresses pointing to New Orleans.

Another aspect to consider is culture. Geo targeting marketing allows users to customize campaigns based on consumers' culture. One-color combinations or specific food items, for instance, could be unsuitable for a particular culture. The same goes for symbols and word choices.

A razor manufacturer in Iran named its brand "Tiz," which means "sharp" in Persian. It was all good and well until it started selling razors to Qatar. The word "Tiz" meant "butt" in Arabic slang. The company's sales plummeted, and the blunder would forever be one for the books. This costly mistake could have been avoided with geolocalized strategies and marketing campaigns based on location.

Geo Targeting SEO

Search engine optimization (SEO) continuously evolves with regular algorithm updates. But one factor that helps businesses stay on top of search engine results pages (SERPs) is local SEO.

Let's go back to our sample search for "managed service providers." But this time, we localized the search, so it became "managed service providers in the Netherlands."

While the first two results are mostly definitions and rankings of MSPs in the country, most of the entries on the first SERP are MSPs based in the Netherlands.



managed service provider netherlands



[www.equinix.nl](#) › [services](#) › [netherlands](#) ▼

Netherlands Managed Services | Equinix

Gain the ability to move your IT resources between our secure data centres, your private cloud and the public cloud, leveraging your choice of **providers** from ...

[www.hays.nl](#) › [managed-service-provider](#) ▼

Managed Service Provider | MSP - Hays.nl

A **Managed Service Provider**, or MSP, means that the recruitment, selection and management of temporary staff (self-employed, interim, secondment, etc.)

[dutchmsp.nl](#) ▼

DutchMSP | DutchMSP

... is a private knowledge network for innovative Dutch **Managed Services Providers**. ... Nationwide Remote Hands service for your clients Dutch locations.

[dutchitchannel.nl](#) › [dossiers](#) › [Manag...](#) ▼ [Translate this page](#)

Managed Service | Dutch IT-channel

Managed Service bedrijven bieden een breed scala aan oplossingen. Denk maar aan anti-virus, instant messaging, of het archiveren van mail. De **providers** zijn ...

[www.infradata.nl](#) › [Home](#) › [Services & Solutions](#) ▼

Managed Services | Infradata Netherlands

We have also pioneered the (shared) virtual **network** concept for **service providers** who do not require a dedicated **network** of their own. Infradata invests in the ...

The search results reflect the geo targeting SEO efforts of Equinix, Hays, DutchMSP, and the other MSPs that appear. Among the things we can learn from this is that using the local ccTLD can

help you appear in local searches. Another takeaway is that local restaurants aren't the only ones that benefit from geo targeting SEO. Big businesses can also see impressive results when they go local.

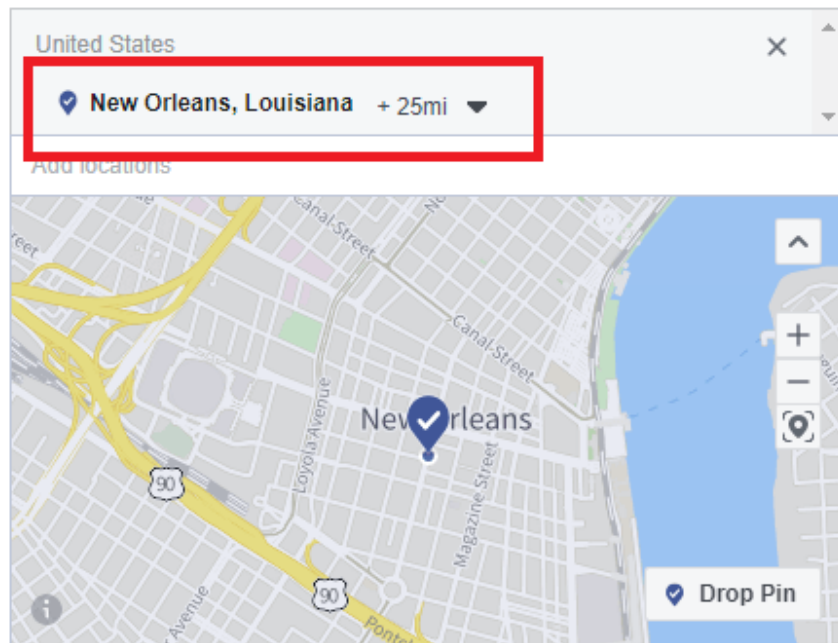
Geo Targeting Advertising

If geolocation can help define marketing campaigns and SEO strategies, it can also make advertising more effective and cost-efficient. Adwords, Facebook, and Instagram advertising platforms make geo targeting look easy.

For a company that wants to target Mardi Gras enthusiasts, it would make sense to implement geo targeting ads for people who access the Internet using New Orleans IP addresses.

On Facebook's ad platform, the potential audience size for the ad would be as many as 650,000.

Locations



Details to Include

Include people who match ⓘ

Add demographics, interests or behaviors | [Suggestions](#) | [Browse](#)


650,000
Potential Audience Size

Create Ad

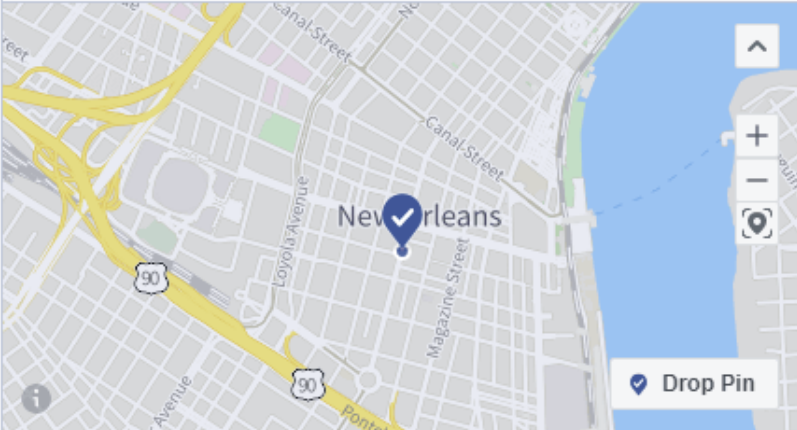
However, since advertisers target people interested in Mardi Gras, they could add more details to make their ads more targeted. They can also adjust the circumference depending on their analysis.

Locations

United States

 **New Orleans, Louisiana** + 25mi ▼

Add locations



Drop Pin

65,000

Potential Audience Size

Create Ad

Details to Include

Include people who match ⓘ

Interests > Additional Interests

Mardi Gras

New Orleans Mardi Gras

Geo targeting advertising allows users to target people in specific areas (e.g., country, region, state, or city). But it's also more than that. They can exclude audiences based on their location to avoid showing the ads to people who aren't likely to buy what they're selling.

An online apparel store that doesn't ship to South America, for example, can keep its geo targeting advertising campaigns from showing up in that specific location. The same logic works for local restaurants and businesses with physical stores.

The key to making geo targeting ads effective is to ensure that you have already identified which locations are likely to get you conversions.

By limiting your ad audience to relevant locations only, you save money and increase ROIs.

Remember that the wider the targeted audience, the more expensive the advertising can be. And more irrelevant ad clicks could also mean more wasted ad spending.

Geo targeting ads also help hide your ads from the competition. Let's face it. Competitor monitoring also means looking at their advertising efforts. And most of the time, your competitor's goal is to undermine your activities.


Therefore, you can exclude the IP address of your competitor's headquarters or offices to prevent them from seeing your ads. For Adwords, all you need to do is click on the Campaign tab, go to Settings > Advanced Settings, and then click on IP Exclusions. You need to know your competitor's IP address that you can get from IP geolocation tools.

Geo Targeting Software

Facebook Ads and Adwords are just a couple of advertising platforms that employ geo targeting software to add value to their service. Marketing software such as Hubspot also uses geo targeting software to help users create geo-targeted marketing and advertising campaigns.

These geo targeting software integrate IP geolocation services to make everything we talked about possible—marketing, advertising, SEO, and more. IP geolocation helps from the onset of every process by allowing organizations to segment their traffic based on visitor location. From there, geolocation data can be used in so many other ways.

For instance, Hootsuite uses geo targeting software to give enterprise users the opportunity to listen to what people in a specific location are talking about. The marketing platform also uses geo targeting software to tailor-fit messages to customers based on their language preference.



Compose message...

Add a link...

Make this visible to fans with:

Location: Cape Town

Language: Afrikaans x

Geo-Targeting is only applicable to Facebook Pages

140 Send Now

Source: [Hootsuite Social Business](#)

Geo targeting software also addresses some significant causes of online shopping cart abandonment, leading to improved bottom lines for e-commerce sites.

Personalization lies at the heart of geo targeting. Consumers love it when businesses don't sound too generic in their communications. Geo targeting gives organizations the ability to provide a personal touch, which is the key to increasing conversion rates.

Several business processes can be enriched with the aid of geo targeting. Put all these benefits together, and you will see your organization achieve that desired figure at the bottom of your financial statement.