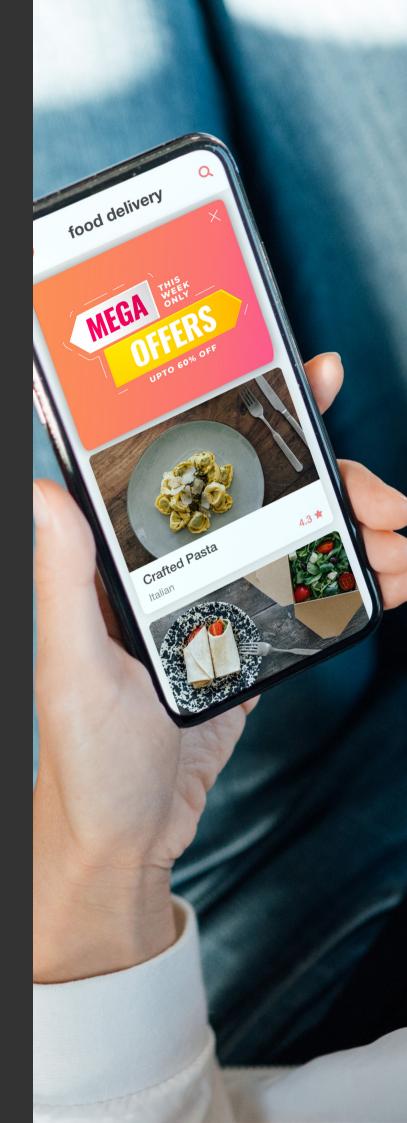
### Carat

To Effectively
Personalize,
Businesses
Must First Learn
to Localize

Six Innovative Ways Hyperlocal Commerce Can Enhance Customer Experiences

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By Sandeep Bhanote, Vice President, at Fiserv. Personalization is an important marketing strategy for businesses needing to differentiate themselves from the competition. However, for any business to take full advantage of the benefits personalized content can deliver their customers, they must ensure elements of localization are intertwined throughout their strategy.

The ability to deliver value-added content to a specific customer at a relevant moment in time – while also understanding how physical location may impact that consumer's purchasing behavior – is becoming a simple means of optimizing shopper engagement, raising online conversion rates, expanding in-store traffic, and boosting store-level productivity.

According to research by Salesforce.com, 53 percent of shoppers visited a specific retailer after receiving a location-based alert. Fiserv research, based on interviews with multiple merchants, indicates that there is up to a 400 percent increase in customer engagement using location-based technology.

Here are six examples of how a hyperlocal approach to commerce is generating revenue opportunities by creating holistic customer experiences that bridge digital channels with physical locations, providing customers with useful information in real-time.

#### Optimizing Shopper Engagement

Connecting digital and physical worlds makes it easy for merchants to target customers already engaged with their brand. Suppose a grocer is selling heavily online but wants to encourage customers to come into the store more frequently with the hopes of selling them new products. If that grocer hosts a wine and cheese pairing event in their store, they could market it digitally to any consumer within a one-mile radius that has purchased red wine and hard cheeses online. The grocer now is driving foot traffic in-store while also providing a value-added experience that they personalized to that customer's purchasing preferences.

# Boosting Store-Level Productivity

Retailers with multiple locations in the same city often see each location producing at very different levels. For example, a sporting goods store on the east side of town vastly outperforms the same store on the west side, thanks to an abundance of foot traffic nearby. To boost sales of a struggling store, the retailer could run a special promotion where sneakers are only on sale at their west side location. To encourage customers to come to the store on the west side, the retailer can push digital information to customers who live or work nearby and have recently shopped for shoes on their website.

## Leveraging Physical Proximity in a Digital World

Being physically close to a store isn't the only way to shop for merchandise. Let's say a retailer sells jackets made for cold weather but doesn't have a physical store when there is a storm coming. The retailer can promote their winter coats to people living in the area based solely on where they live.

## Expanded Marketing Through New Digital Networks

Partnerships offer companies many joint sales and marketing promotion opportunities. Imagine that you're in a bank conducting a transaction digitally. It's noon, you're hungry, and you start thinking about where to grab a bite for lunch. Suddenly, you receive a promotion from a local sandwich shop that's only a few blocks away, offering a discount on your next purchase. Coincidentally, the sandwich





shop does business with the bank. This type of cross-industry promotion helps the bank and sandwich shop, plus it satisfies your cravings. It's a win-win for all parties involved.

#### Thinking Outside the Box

There are many ways for businesses to connect with customers and they extend well beyond restaurant and retail. The key is to target each customer's unique needs specific to their physical location. For example, in a region with many lakes and boating is a common hobby, an insurance agent could market boat insurance to families that live within one mile of the lake. At the same time, that agent can target people who live alongside a river with information about flood insurance. Businesses across industries can use geo-location creatively to personalize experience on a very localized level; it just takes a little creativity.

#### Impacting the Bottom Line

Hyperlocal commerce and personalization technology are just two examples of how merchants can leverage digital technologies to increase their customer base and open new revenue streams. For merchants that want to tap into the power of omnichannel commerce solutions and expand their global payment options, Carat is the powerful omnichannel commerce ecosystem helping companies reach untapped markets and expand globally without being limited by borders, currencies or old ways of thinking.

To learn how your business can increase local engagement through enhanced consumer experiences, contact us at <a href="mailto:sales.apac@fiserv.com">sales.apac@fiserv.com</a>

