

FROM NATIONAL TO NEIGHBORHOOD WHY MANUFACTURERS WHO THINK LOCAL, DRIVE SUCCESS

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Executive Summary

Local marketing is critical for manufacturers selling through independent dealers, but many focus too much on national branding. New technologies like AI, search, and data personalization now enable manufacturers to optimize local marketing at scale to drive brand awareness, store traffic, and sales for their dealers. This whitepaper explores best practices for local marketing, highlighting the importance of tailoring messaging and assets to each community using the latest innovations. It provides manufacturers a blueprint to boost local impact and strengthen partnerships across their dealer networks.

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The Significant Role of Local Marketing for Manufacturers

Many manufacturers rely on independent dealers and retailers to sell their products locally. While building a strong national brand is important, manufacturers should not overlook the value of marketing locally to support their dealer networks. Effective local marketing by manufacturers provides benefits that drive product interest, foot traffic, and sales. This whitepaper will explore the importance of local marketing for manufacturers selling through dealers. It will also discuss how technologies like generative AI, search optimization, and data personalization enable effective localization to drive customer engagement and sales across dealer locations.

91%

91 % of consumers are more likely to shop with brands that recognize, remember, and provide them with relevant offers and recommendations. (Accenture)

National Brand Marketing Gaps

Manufacturers often focus most of their marketing efforts on building their national brand image and recognition. Major advertising campaigns, social media, websites, and other marketing tactics aim to establish brand identity across the country or around the world. While critical for overall brand awareness, national-level marketing does not immediately translate into sales at the local level.

For manufacturers that sell through independent dealer networks, driving local store traffic and sales is essential. Dealers represent the local face and sales force for national brands. If dealers don't actively promote and sell the products locally, national marketing efforts essentially stop at the front door. Manufacturers depend on their dealers to turn interest and brand recognition into actual sales.

Without localized marketing, consumers may be aware of a product or brand but don't always know where to find it or try it out locally. Manufacturers who solely focus on national brand marketing often lack effective strategies for engaging audiences, building awareness, and driving sales at the local dealer level. Local marketing efforts are needed to bridge the gap between national brand recognition and local activation.

Importance of Local Marketing for Manufacturers

Local marketing is critical for manufacturers who sell through independent dealers and distributors to drive brand awareness, store traffic, and sales at the local level. While national brand marketing establishes overall positioning and equity, local marketing enables manufacturers to directly connect with customers in key markets. This benefits manufacturers in several key ways:

Drives awareness and store traffic for local dealers

By marketing directly to local customers, manufacturers can increase foot traffic and sales leads for their local retailers. Tactics like digital ads, local events, and community sponsorships raise visibility and drive customers to visit nearby dealer locations.

Helps build relationships with local dealer partners

When manufacturers invest in local marketing, it shows commitment and support for their dealer network. This strengthens the manufacturer-dealer relationship. Dealers also gain more marketing resources and assets than they may be able to produce on their own. According to Google, people using them for **local search** queries visit **1.5 billion** locations every month as a result. That works out to be **32.8%** of all internet users visiting a local business.

Enables personalized and targeted marketing

Local marketing allows manufacturers to personalize messaging and offers specifically for each market. They can highlight the most relevant products, promotions, and selling points for that area. This helps refine marketing strategy and improve results.

By complementing national brand campaigns with strategic local marketing, manufacturers can better engage customers, support their dealers, and drive sales. The local approach leads to increased awareness, traffic, and ultimately purchases through the independent retail network.

Generative Al Enables Local Marketing

One powerful way manufacturers can optimize local marketing is through generative AI. Generative AI refers to artificial intelligence that can create new, original content or assets on its own.

Using generative AI, manufacturers can easily produce localized marketing assets tailored to specific regions, cities, neighborhoods, or even individual stores within a dealer's local area.

Example

Manufacturers can generate social media posts or digital ads focused on promoting a certain product. The AI can pull data on the target geography to reference local events, landmarks, or interests. It can generate hundreds of variations of an ad or social post, each tailored with localized details.

Generative AI takes the workload off the manufacturer's marketing team. They no longer have to manually customize every asset for every unique locality. The AI handles that at scale.

Customized, hyperlocal assets resonate better with audiences and generate more engagement. People appreciate messaging that shows an understanding of their community.

Generative AI allows manufacturers to improve local brand awareness and relationships. Dealers receive marketing collateral unique to their area rather than just generic national assets. This helps drive local interest and foot traffic into their stores.

In essence, **generative Al gives manufacturers a turnkey solution to build localized marketing campaigns** that engage audiences while supporting their local retailers. The technology scales an otherwise daunting manual task.

Search Drives Local Discovery

Today's consumers increasingly turn to local search to find products and services in their area. This presents a prime opportunity for manufacturers to connect with customers searching for local dealers.

Optimizing for local SEO allows manufacturers to drive traffic to local dealer pages when customers search for related products or services near them. This includes optimizing pages for local keywords and geographic terms. Manufacturers should ensure dealer pages are well optimized with location information, contact details, and schema markup for local businesses.

Tools like Google My Business also help manufacturers raise awareness of their local dealers in search results. By creating and verifying profiles for each dealer location, manufacturers can showcase key business information directly in Google to connect with nearby searchers.

Sophisticated geo-targeting in search campaigns further enables manufacturers to only show ads to customers within a certain radius of dealer locations. Retargeting people who have already searched for related products with **<u>geo-targeted</u>** ads can also help turn local interest into sales.

Overall, search is one of the most effective channels for manufacturers to drive local discovery and traffic to their dealer networks. Optimizing for location and implementing tools like Google My Business allow brands to capitalize on intent when customers are looking for where to buy nearby.

46%

of all searches on Google are for a local business or local service. (Search Engine Roundtable)

76%

of people end up visiting a business within 1 day after searching on a smartphone for something nearby. <u>(Google)</u>

28%

of local searches result in a purchase. <u>(Google)</u>

Data Personalization in Local Marketing

Manufacturers can leverage first-party data to drive personalization and relevance within their local marketing efforts. By collecting and analyzing data on local demographics, psychographics, interests, and behaviors, manufacturers can tailor their messaging, offers, and creative to resonate at a hyperlocal level.

First-party data enables manufacturers to identify the right potential buyers in each locality and serve them relevant ads and offers. For example, if the data shows 25-35 year old males are the dominant buyers for certain products in a given area, creatives and messaging can be tailored specifically to that demographic rather than using a traditional one-size-fits-all national campaign.

Local sales data, web traffic, and CRM data can provide additional insights to fine tune local targeting and personalization. Manufacturers can A/B test different creatives, calls-to-action, and offers to see what resonates best with each location. They can also tailor messaging based on local interests and behaviors, such as highlighting certain product features or use cases that index higher in different regions.

The end result is messaging that speaks directly to potential buyers in each locality. By leveraging data to customize and localize content, manufacturers can break through the noise and drive higher engagement, leads, and sales for their independent dealer networks. Data personalization allows national brands to feel local rather than distant and out-of-touch.

80%

of consumers are more likely to make a purchase when brands offer personalized experiences. (Epsilon)

78%

of brands say they struggle with "data debt" or not having enough quick data about their customers to launch relevant personalization tactics. (Experion)

Measuring Success of Local Marketing

Manufacturers can measure the success of their local marketing efforts in a few key ways:

BRAND LIFT SURVEYS

Conducting in a dealer's territory before and after local marketing campaigns can show increases in metrics like brand awareness, familiarity, and consideration. Surveys can measure if the local marketing led to more customers knowing about the brand, considering it more highly, and being more likely to visit a local dealer.

INCREASED WEB TRAFFIC AND LEADS IN DEALER TERRITORY

Manufacturers can track website traffic and leads coming from zip codes in and around a dealer's territory during and after local marketing campaigns. Higher traffic and more leads show the campaign reached the right audience and drove interest. Manufacturers can share this data with dealers as another way to demonstrate the campaign's impact.

HIGHER DEALER SATISFACTION

Manufacturers should directly survey their dealers to assess changes in satisfaction before and after local marketing efforts. Dealers can provide feedback if the marketing brought more customers into their showrooms, increased their local reputation, and helped drive more sales. Higher dealer satisfaction scores show the marketing had a positive business impact.

By tracking brand lift, web traffic, leads, and dealer satisfaction, manufacturers can quantify the ROI of their local marketing and optimize future efforts, thus proving the value of local marketing to their dealer network.

Challenges to Local Marketing and Their Solutions

While local marketing offers many benefits, manufacturers can face difficulties in implementing effective strategies. Some key challenges include:

Budget Constraints

Limited local marketing resources and expertise Local marketing initiatives like targeted digital ads, custom landing pages, and localized email campaigns require additional budget that manufacturers may not have. With finite marketing resources, it can be tough to allocate sufficient funds to local efforts.

Solution

Evaluate all available budgets, specifically any co-op budgets. Oftentimes, dealers do not use their entire co-op budget. Consider re-allocating those budgets for local advertising campaigns. Working with a local marketing expert like PowerChord, dealer-tagged ads can be placed at scale, offering more local advertising options that are designed to drive local traffic.

Many manufacturers excel at brand marketing but lack specialized resources to run localized campaigns. From understanding the nuances of each geography to tailoring assets and messaging, local marketing requires dedicated and skilled team members that manufacturers may lack.

Solution

Geo-targeted advertising is an efficient way to ensure that local marketing messages reach the right audiences. Campaigns can be targeted by zip codes, counties, or other geographic boundaries. Talk to a PowerChord marketing specialist to find out how these geo-specific approaches ensure efficient spending.

Difficulty tracking ROI

Compared to national marketing, measuring the ROI of local efforts can be more difficult without the right attribution models and metrics in place. With various local marketing initiatives across all geographies, it's challenging to accurately quantify the impact and optimize accordingly.

Solution

Add visibility to the effectiveness of local marketing efforts through automated tools that will assign customer leads and share the status of those sales leads with the appropriate people. PowerChord specializes in the data that manufacturers need to make the best marketing decisions for their local dealers.

To overcome local marketing roadblocks, manufacturers should:



With the right foundations, manufacturers can maximize their return on local marketing and fully support their independent dealer networks.

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Conclusion

Local marketing is an essential strategy when you sell through independent dealers to boost brand awareness and sales at the local level. As we've seen, new opportunities are emerging through generative AI, search, and data personalization that can help manufacturers optimize their local marketing like never before.

By leveraging Al-powered content and ads, manufacturers can now automatically generate relevant local messaging tailored to specific geographies and audiences. Intelligent search is enabling consumers to more easily discover local dealers, products, and service options. And data personalization allows manufacturers to serve up the most relevant local offers and information to site visitors and audiences.

The benefits of optimizing local marketing are immense for manufacturers, leading to higher lead generation, increased dealer sales, stronger brand affinity, and more satisfied customers. While local marketing poses unique challenges compared to national brand building, the rewards make it well worth the effort.

Manufacturers should take advantage of the major innovations in AI, search, and data to boost their local marketing results. By crafting targeted local campaigns, creating localized content, optimizing for local SEO, and personalizing experiences, brands can thrive on both a national and local level. The time is now for manufacturers to prioritize local marketing to better support their dealer network and connect with customers in each of their communities.



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