

► Comprehensive Guide to Location-Based Social Media

June 2010

# Comprehensive Guide to Location-Based Social Media

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## Introduction

The championing attribute across social media platforms has been the proximity it provides, for both users and marketers, to connect with others. New social media platforms, known as Location Based Services, have added an additional layer of movement and proximity to this relationship. Location based services refer to smartphone applications which utilize GPS to offer information and social networking relevant to your current location. These applications help us explore our physical community and track our friends whereabouts, recent activities and opinions.

It seems that tying one's personal social network to real world activities is proving to be extremely valuable. ABI Research predicts that location based services will generate about \$2.6 billion this year in revenue and more than \$14 billion in 2014. Currently, two-thirds of all smartphone owners check in with a location based app at least once a week. In Europe, the number of users of location based services is expected to increase from 50 million in 2008 to 130 million in 2014.

While 'traditional' social media platforms have provided specific demographic information and created a dialogue between users and marketers, location based services are taking that relationship to the next level. Marketers will now not only have a heartbeat into the health of their brand or an understanding of their target audience's behavior through social media platforms, we will also be able to provide more specific, directed information based on the location of these audiences. This is critical to our relationships with our customers. The more the detailed the information we can garner based on user patterns and social context, the more effectively we can find something truly valuable to offer potential customers. This is particularly true for marketers with brick and mortar store fronts, who are looking to drive local traffic to their store, or for anyone promoting an event at a physical venue.

Location-based social media is still in its infancy. As a result, there still are countless services springing up, vying to grow a large enough user base with high enough engagement to become relevant to support some monetization model. With dozens of platforms available, we have decided to focus on the applications we see as real contenders in the competition today, recognizing that this space will inevitably change in the very near future. In this paper, we will discuss how these platforms work, their businesses models, and relevance for marketers. We have grouped these 12 applications into three major categories of location-based social media – social check-in sites, social review sites and social scheduling sites. Each of these categories helps to address a different stage of the marketing funnel. All hold some potential for both building community and engaging with this community to become a potentially loyal set of customers, maybe even brand evangelists.

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## Social Check-in Sites

Social check-in sites enable users to access information about businesses in their local areas, while encouraging users to develop relationships with some set of other users, their real-world social networks and these local businesses.



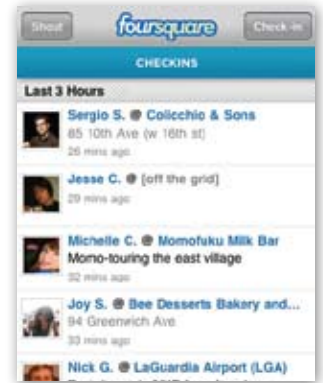
## Foursquare

### Overview

Mobile app which made a big splash at SXSW 2009. Foursquare allows users to register their location using GPS (a check-in), earn rewards (badges), and get rewarded for being the user to check in the most at each location (become the Mayor). Locations are called venues.

### Social Functionality

One of the most well-recognized social check-in sites, largely because the community is large, growing, and engaged. Foursquare announced recently that there are some 15,000 new users on the platform daily. Some things are better done with other people, and the check-in game is one of those. Foursquare allows users to see other users' picture, info including Twitter, Facebook, email, friends, check-ins, badges, and mayorships. The iPhone app allows for push notifications when friends check-in.



### Rewards/Incentives

Part of the appeal of Foursquare is in the perceived benefits and "status" of becoming mayor of a venue. Users get points for each check-in. Extra points are given for each successive daily stop and each time you add a venue. The user who checks in most to a venue achieves mayorships, symbolized with a gold crown (which at the very least makes it worth it for me). As users check into a variety of venues, Badges are assigned. Each badge is a colorful picture, reminiscent of the badges from girl/boy scouts. Badges are a game in and of themselves as the rules on how one achieves a badge are not clearly established. You can "cheat" just a bit by looking at the badges others have achieved. The descriptions of the badges often are telling enough to allow you to take a good guess at how to win them.

### What does this mean for your brand?

For the moment, Foursquare is the darling of LBS. This is a great place to start in building your presence in location-based social media. Make widely known an incentive you offer for the user who is the mayor of your establishment. Offer all users an incentive for checking in. When it offers true value to the audience, suggest a branded badge to Foursquare (Foursquare accepts badge suggestions and completes development in house if accepted).



## Gowalla

### Overview

Gowalla is a location-based networking app, very similar to Foursquare in functionality and features. Gowalla has a smart, intuitive interface and cute bubbly pictures. There is even a little animal that pops up when you pull down the location search menu to refresh the results. Gowalla has a lot of potential but isn't quite there yet. Routes encouraging you to check in at predetermined spots are labeled "trips". So far, featured trips are very geo-limited, mainly in San Francisco, Austin, Texas and seemingly every major metropolitan area except Los Angeles. Users can create as many as 5 trips, each including up to 20 spots and these trips receive artwork, categorization, and overall Gowalla love as more users complete

them (currently only friends can see user-generated trips). Gowalla has an API and robust developers support platform, so I'm excited to see if any interesting integrations pop-up. I had some difficulty when I checked in somewhere one day, and attempted to check in there the next day without checking in somewhere else in-between.

### Social Functionality

Users profiles divulge the full gamut of their involvement with Gowalla. A profile includes location, quote, stamps, pins, photos, friends list, check-ins, website, Twitter, trips, and bookmarked spots. Users can turn on and off push notifications easily, which is great for your friend who checks into AM-PM twice every day.



### Rewards/Incentives

Gowalla is travel themed with your "passport" being a place to collect "stamps", or rewards for checkins. The stamps are very visually appealing, but as with Foursquare, there is no wiki on how to earn each stamp. Currently the stamps are just used to decorate a user profile, but the obvious plan is to turn these into real world incentives, as already tested by Chipotle (<http://gowalla.com/spots/18556>).

### What does this mean for your brand?

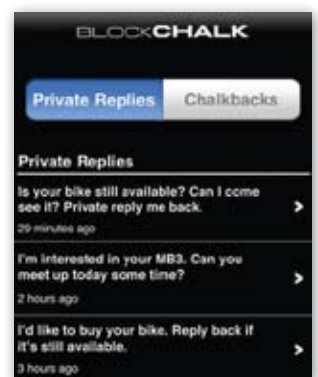
Encourage users to check-in on any and all LBS games. Honor any incentive you offer on one LBS across any LBS a user may be using. Gowalla (and almost all LBS games reviewed here) have Facebook and Twitter connect, and can be valuable megaphones for your guests to announce to their entire social network where they are and what they think of it. Seed branded trips (when they would actually be interesting to the community) and encourage completion of the trips.



## BlockChalk

### Overview

Blockchalk allows users to leave digital notes (chalks) around neighborhoods (or blocks as they label them). However, the stream is not exactly location based (there is the option to turn on exact location, but even so it is not labeled with the business name), meaning it is based on the general area rather than each business. Blockchalk could have the capability to allow you to find the hotspots of the moment in your neighborhood, but Chalks (Blockchalk's label for a post) do not provide a link to specific locations. The stream ends up as a hodgepodge of ramblings, complaints, and compliments with a little spam thrown in for good measure. Each chalk has the option of being labeled with a range of tags from lame to crime to WTF? Also, as icing on the LBS cake, could you provide a heat-map style list for each block? I would love to know which bar or restaurant has a big crowd without having to memorize nightly fluctuations. This is something that other platforms address with features such as "now trending".



### Social Functionality

BlockChalk is the saddest little block party ever. Posts, at least in the Santa Monica area, are infrequent at best, with no more than a few chawks per month. It is impossible to see other users' profiles, so social capabilities are limited. You can chalk back or privately reply to someone, but the whole interaction is done anonymously, so interactions are limited (and a bit creepy if you can't stalk the person online before interacting with them).

### Rewards/Incentives

Not yet. BlockChalk has a very beta feel to it, and so one could easily imagine expanded profiles and incentives to be planned for the near future.

### What does this mean for your brand?

I really liked the idea of Blockchalk, but can't recommend it as a marketing vehicle. Blockchalk needs to expand user profiles, allow check-ins, and provide a link in each chalk to the check-in location. Unless you have superfluous time on your hands and need 120% infiltration into SMM sites, skip marketing on Blockchalk for the time being.



**BrightKite**

### Overview

BrightKite is a location-based social network where users can check in, post updates, and attach photos from their current location. BrightKite has the (unfortunate) distinction of being one of the only LBSs that you can spam. The update stream includes posts advertising poker, home organizing, and mortgages. BrightKite has a lot of Twitter-esque features such as @ mentions, direct messages, hashtags, in a microblogging style of post streams. Users can check in online, which is not possible on other platforms, but significantly increases the possibility of spamming and cheating.

### Social Functionality

Allows robust personal profiles with profile pics, and space to tell about yourself, your location, websites, age and sex. Users can be searched in groups of everyone, fans, or friends, set within distance parameters. You can add users as friends and send a direct message.

### Rewards/Incentives

Not at this point. BrightKite seems to have a well-designed and developed platform, so it wouldn't be surprising for them to come up to speed with some rewards system sooner rather than later.

### What does this mean for your brand?

BrightKite has a search option which allows you to seek out keywords or brand terms. Use this to review sentiment, comment on posts when appropriate (follow micro-blogging best practices), and do pretty much everything else you would do on microblogging sites.





## Whrrl

### Overview

Whrrl is at its core a social networking service with both location-based recognition and business rating and recommendation engines. The evolution of Whrrl has been a two-step process. The first stage of the product (Whrrl 1.0) was released by Pelago in 2008 and was a location-based social networking app for the iPhone and other smartphones. At this stage, Whrrl allowed users to find, explore and share local points of interest – much like Brightkite, Buzzd and Loopt. The second stage came in 2009, when Pelago launched Whrrl 2.0, which is a “storytelling” application for smartphones and the Web. Whrrl 2.0 enables users to share stories from their life in real-time through location, photos and text. Whrrl also enables several people to contribute to a shared story and build a society of like-minded members.



### Social Functionality

The “storytelling” component of Whrrl’s interface sets it apart from other LBS platforms. The interface is imaginative, attractive and can be quite addictive, if you are (un)fortunate to have a group of friends who use it regularly. Whrrl does have its technical issues though; it’s often sluggish and it crashes easily.

### What does this mean for your brand?

Whrrl gives local merchants the opportunity to make offers to new and returning customers. It also enables you to promote special offers to users that have checked in to a nearby location. These offers can help bring new customers to your location as well as build loyalty amongst your existing customer base.



## MyTown

### Overview

MyTown is a location-based application built around connecting users with local shops, restaurants and hangouts. Unlike the more rudimentary LBSs like WHERE or Geodetic, MyTown is a true LBS game, where users check-in online at real-world locations to unlock rewards and earn coupons to their favorite spots. Google recently announced that MyTown will be officially partnering on their Places Page feature on maps.



### Social Functionality

MyTown has acquired an enthusiastic follower base through its iPhone app, hitting 1 million users before Foursquare or Gowalla. In fact, it’s the most popular location-based social game on the iPhone and iPod Touch.

Interesting Stats:

- ▶ 3.5 to 4 million check-ins per day or roughly 40 to 46 check-ins per second
- ▶ Average user spends more than an hour per day on Booyah’s MyTown
- ▶ Serves 200 million virtual items a month

### Rewards/Incentives

The benefit for users is obvious; they get to check-in with their online community, promote their favorite locations, and get rewarded by businesses, both virtually and in the real world.

### What does this mean for your brand?

MyTown has an advertising platform that enables marketers to purchase advertisements based either on category or location. These ads can be embedded on their website and on their smartphone applications. This, along with their new partnership with Google, makes MyTown one to keep an eye on.

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## Social Review Sites

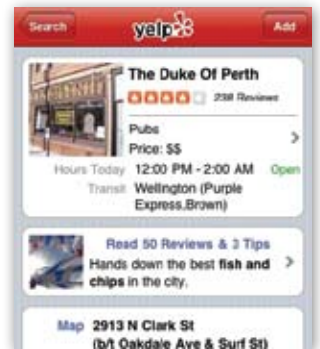
Social Review sites encourage users to write editorial reviews based on their experiences at restaurants, cafes, hotels, shops and more. Quality scores are often given to marketers based on this user-generated content.



Yelp

### Overview

The most well-recognized of the social review sites. For many brick-and-mortar businesses, the number and quality of Yelp reviews can be an integral part of their online marketing strategy. With the rise of smart phones, it was just logical for Yelp to come out with applications for the whole suite of smart phones. With a UI that a monkey could use (a positive!!) and an all encompassing variety of functions, Yelp really does have the LBS game down. But is it a game? Not so much. Yelp lacks in the ability to add venues, which prevents spamming but also prevents crowdsourcing, which can be a big help with the opening and closing of new venues. As a review app, Yelp rules above all others.



### Social Functionality

As an LBS game, Yelp falls short due to lack of incentivization. Yelp's user profiles are surprisingly sparse. It would make sense for users to have a quickie preference profile instead of the random questions profile currently available. Each user's profile includes pictures, number of friends, number and stream of reviews, photos, bookmarks, list of quick tips, location, and optional personality type questions. You can add other users as friends, send a compliment, and read their list of reviews. Social connections would be easier to make if I could search for other users who like Tapas, hate karaoke and live in the Santa Monica area, for example.

### Rewards/Incentives

Yelp users love to be highly active, and Yelp rewards users for their activity in a variety of ways. Users can be marked as elite, receive compliments, get marked for first reviews, fans, etc. You do anything on Yelp and you get some recognition for it.

### What does this mean for your brand?

If you are a brick-and-mortar location, having a strategy in place for Yelp is key. And no, having everyone in your office create an account and leave positive reviews is not a strategy. At a minimum, make sure your guests remember that you exist on Yelp. Utilize Yelp for the free market research that it offers and make the changes the audience asks for when appropriate. Respond to your negative reviews and acknowledge your customers that take the time to write a positive review of their experience.



## WHERE

### Overview

WHERE® is a local search/recommendation service where users can discover businesses, events and unlock mobile coupons based on their location.

### Social Functionality

WHERE may be the least social of the LBSs. It really focuses on bringing together businesses with customers based on local search. As such, WHERE seems to be more search oriented, rather than socially engaging. In their defense, WHERE has done an incredible job defining highly targeted verticals. Rather than searching for Italian restaurants, users have the opportunity to look at “After Work Bars”, “Romantic Dining”, or “Hidden Finds”.



### Rewards/ Incentives

What’s cool about WHERE for both marketers and users is its WHERE Ads system. It’s great for businesses that want to buy local advertising, but targeted at a more specific, mobile customer. And it also works for users, who benefit from free coupons.

### What does this mean for your brand?

As with any customer review site, marketers need to keep up to date about what their customers are saying about them and respond accordingly to their complaints or suggestions.



## Geodelic

### Overview

Geodelic is an Android and iPhone App that sorts through location-based information on an aggregate level based on distance, relevance and user interest. Geodelic filters through user’s surroundings based on category, i.e. restaurants, shopping centers, cafes, or brand, weighing the relevance of a user’s search against distance. Each of these results includes further information; enabling users to read movie reviews, make a reservation and more.

### Social Functionality

Geodelic's technology emphasizes a personalized user experience, by creating a unique user profile based on their history of searches. Over time the app learns what your favorite restaurants, movies, and bars are, making it easier for it to suggest venues in the future.

### What does this mean for your brand?

Like other LBSs, Geodelic's platform enables businesses to publish location-targeted content. What's distinct about the system, is its focus on generating specific user profiles complete with individual preferences and tastes, which could enable marketers to more directly/efficiently reach their desired consumers.



**Tellmewhere**

### Overview

Tellmewhere offers an intriguing mix of social networking and personalized recommendations. Tellmewhere's algorithms alert you to nearby restaurants, bars, or stores, based on your preferences and the reviews of your network. Founded in France in 2007, Tellmewhere is still relatively limited to the European Union with 80% of its 610,000 users located in France. [Although they haven't caught on in the States yet, they are an interesting company to keep an eye out for, as their user base is devoted to and enthusiastic about the platform.] Tellmewhere is similar to Geodelic in that it is a personalized search engine that takes into account user likes and dislikes, but also like Yelp, in that this information is based on user reviews.



### Social Functionality

Tellmewhere can also tap into a user's Facebook network, allowing users to compare and contrast their experiences with their friends and providing direct access to their friends' preferred businesses. If a user doesn't have an existing Facebook network, Tellmewhere works to connect them with other users with similar tastes.

### Rewards/Incentives

Rumors have it that Tellmewhere intends to monetize on their iPhone and Android app with a reward program where local merchants could offer coupons to loyal customers.

### What does this mean for your brand?

Tellmewhere is very popular in Europe but just gaining traction in the U.S. So if your customers become early adopters, Tellmewhere offers the ability to provide coupons and discount offers to loyal customers. If it can build a suitable following, the personalized recommendations could become a nice differentiator from the other social review sites.

## Social Scheduling Sites

Social scheduling sites enable users to share their “social calendar”, enabling individuals to find out about upcoming events and networks of people to plan anything from a birthday party to a movie date.



### Loopt

#### Overview

An app which straightaway on the home screen displays events and places that may interest you. Events are based on upcoming dates, places are based on what they label “buzz worthy”. Buzz is determined by Zagat and CitySearch reviews. Additionally, Loopt users can like or dislike a place, in addition to leaving a tip.

#### Social Functionality

The true social functionality is not in the Loopt app, rather the Loopt Mix app. It connects users with other users based on common interests. What’s great about Loopt Mix is that it has incorporated familiar features of Facebook and Twitter—free messaging between users, the ability to upload profile pictures, update status and add likes/ tags and search filters.



#### What does this mean for your brand?

Keep Loopt on your radar. They have a partnership with Zagat, so they are definitely on an expansion path. They tout themselves as the “local search engine” (which seems a little lofty given their size and competition), suggesting the obvious opportunity for brick-and-mortar locations.



### Plancast

#### Overview

Each of the applications we have reviewed thus far enable users to share where they are and what they think about it. Plancast has approached location based social networking in a different way. Rather than having people update about where they are at the moment, Plancast enables users to share where they will be. Like a public daily-planner, users report where they are going, what events they will be attending, and with whom they are going. Fellow users can comment, tag allow by hitting the “count me in” button, or share information.

#### Social Functionality

Plancast launched in November, 2009, and is starting to gain traction outside of the tech geek world. In the future, users will be able to update their plans from their smartphones and import their other online calendars from Facebook, Google, and others into their Plancast account.



### What does this mean for your brand?

Plancast plans on having venues post events or specials. Plancast also gives users the ability to search by keyword, so basic optimization techniques will help new customers find out about your events. If your marketing plan involves conferences, meetups, parties, or any other get-together, Plancast could become a great way to spread the word.

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## Conclusion

Be sure to pick your location based media platforms wisely. These applications vary in their ability to provide a dynamic network, protect user information and serve relevant information. Take a good look down the list of location based social services; explore their pros and cons to determine which platforms will best help you engage with your audience. But most importantly, go where your customers (or potential customers) are. Engage with them as appropriate and bring something of value to the conversation.

Most importantly, remember that you are marketing to early adopters with voyeuristic tendencies and big digital mouths. As is true with any form of social media, smarminess, indifference, or deceit will not go unnoticed. If you fail, this audience will call you on it. If you are genuine, engaged, and offer the right incentives to the community, your location-based social community could become your most loyal customers and biggest evangelists.