

TotalRetail Byline
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Knocking on Digital Neighborhood Doors for the Holidays

The official start to the holidays may be right around the corner, but it's not too late to make some cost-effective, easy-to-deploy adjustments to online retail sites for this season in terms of targeting website visitors where it often matters most—closer to home in their own “digital neighborhoods.”

Many Retailers Are Left Holding the Stockings in Terms of Reaching a Full Qualified Audience

Today online marketing is dominated by cookie-based tracking. Cookies identify interests based on a prior site visit or from an inferred visit based on a similar product site. Experts acknowledge that a single visit does not necessarily equate with confirmed interest, and there are industry privacy concerns with tracking users online. Also, cookies cannot qualify a prospect as being “in the market” or having an ability to pay.

The largest issue to retailers, however, is that cookie tracking only provides an estimated 35-percent user coverage nationwide. With more than half the available online users eliminated there is a significant likelihood that content will be over-served to the same cookied users and that response rates will be lower than they would be if the entire qualified online audience was available.

No Cookies for Santa This Year

This year, however, retailers can access new privacy-sensitive online marketing tools to target consumers within their digital neighborhoods. Cost-effective solutions are available today, combining IP-to-ZIP code geolocation technology with demographic datasets that respect users' privacy and do not rely on cookie-based targeting.

Instead of relying on an increasingly limited base of cookied users, “IP address zone” solutions allow retailers to personalize the website experience using advanced, privacy-sensitive, and demographically appropriate targeting processes.

In many instances, these technologies can be deployed in days—giving retailers ample time to add another tool to enhance the online shopping experience in time for this holiday season.

Retailers should look for the following capabilities when evaluating an IP address zone solution:

- Incorporates the use of reliable and accurate IP-to-ZIP code geolocation technology.

- Automatically scores and categorizes online traffic into user types and demographic segments to secure full qualified audience coverage, beyond the estimated 35 percent targeted by cookies.
- Utilizes extensive datasets. Some can tap upward of 400,000 unique home audience zones with more than 50 million demographic combinations.
- Maintains the highest standards of online privacy because there is no application or usage of cookies or pixel tracking. There is also no communication of, or access to, personally identifiable information. Demographic data is supplied through publicly available information from directories, voter rolls, home ownership, modeled retail transactions and government reporting.

With Three Times the Audience Reach, Retailers Go From Naughty to Nice

With the ability to classify anonymous web visitors—in real time—retailers can automatically provide personalized content and targeted promotions specific to digital neighborhoods across America, based on user type and demographic profiles.

IP address zone solutions provide 10 to 15 times better hyperlocal targeting and more than three times the audience reach when compared to any other online targeting method. Turning each ZIP code or city into sub-segments allows retailers to target and serve to the relevant sub-segment of the population at each location. Therefore, retailers can expect to enhance reach and frequency and enrich the analytics of digital campaigns by targeting site visitors based on the same demographic and psychographic data used in other advertising mediums.

IP address zone solutions help retailers go from naughty to nice because they're now delivering more relevant content and messages right to consumers' virtual doorsteps—helping to drive sales during the busy holiday season and beyond.