



AI & Location: Unlocking its Potential

The value of AI is in its ability to shed light on data and make it actionable. One key data set that AI can help unlock for marketers is location.

Location is powerful because it can elucidate an individual - painting a picture of their uniqueness, their preferences, and their mindset, allowing marketers to reach them at the right time.

Making an impact with location

Location-based targeting has [changed retail marketing](#), both online and in stores. Location allows retailers to send targeted offers to specific customers at specific locations, or track nearby consumers to give them directions to its closest stores. And while retailers have been early adopters of using location data, many other industries are applying AI to location to revolutionize how they do business.



Automotive: Businesses [now have access to GPS and cloud-based sensor technology](#) which can track vehicles in their delivery and service fleets for speeding or miles driven, and also provide analytics to prevent vehicle failures - improving the customer experience and mitigating additional costs.



Restaurants: [60 percent of restaurants fail within their first year](#), and nearly 80% shutter before their fifth anniversary. Location can mean the difference between a successful new business and a failed venture. [AI can predict](#) where restaurants will be most successful, and significantly reduce risk.



Healthcare: [Nearly 30 million Americans have diabetes](#), costing nearly \$14K per patient, per year. [Healthcare applications like Text2Move](#) incorporate location data to deliver personalized messages around motivation, activity, location data, and local weather that help manage and prevent diabetes symptoms. Similar applications exist for sunscreen reminders and smoking cessation as well.

Illuminating location for marketers

By analyzing location data collected through mobile devices, such as how frequently and when people show up at specific locations, [marketers can uncover insights](#) related to consumer behavior, preferences, and attitudes. Over time, this can provide an even more developed view of consumers, ultimately helping you anticipate and respond more effectively to their needs.

- 1. Geo-targeting:** Geo-targeting involves detecting a user's location and serving them information based on that location. Geo-targeted content, paired with data about user preferences can not only focus on a particular target audience, but exclude groups of people you don't intend to target.
- 2. Geo-fencing:** Geo-fencing [allows marketers to define a virtual "fenced" area](#), and capture all users who move into that area. By leveraging GPS technology, marketers can reach users when their devices move in or out of that defined fence. For example, a sports team may leverage geo-fencing to encourage fans attending a game to buy gear while they're in the venue.
- 3. Predictive analytics:** When combined with location, AI and predictive analytics can provide marketers with [insights and understanding](#) to help stay ahead of the competition. [Mastercard, for example](#), tracks transactions and customers' locations when using their mobile app, and then uses real-time analytics to prevent fraudulent transactions. Habitual mobile device use has taken the guess work out of where consumers are going, how frequently they visit those locations, and how long they stay.

With all of this potential, AI is only really as good as your data.

[According to Foursquare](#), nearly 80% of location data in the bid stream is inaccurate. In addition, [estimates show](#) that around 90% of location data appended to ad inventory is incorrect, and more than half of all location-targeted mobile ads are off by more than half a mile.

Most marketers [haven't yet figured out](#) how to leverage location data to its full potential. But that's about to change. By 2021, [it is predicted](#) that 80% of retailers will be using location technology as an essential tool to customize consumer experiences, marking a dramatic shift in consumer targeting.



By partnering with the right data provider, and using AI in conjunction with a location strategy, marketers can capitalize on the opportunity to unlock consumer mindset, and align marketing messages to the right people, in the right place, at the right time.