SOCi

The High Cost of Invisibility for Multi-Location Enterprises

Learnings from SOCi's 2023 Local Visibility Index

The Current Landscape

In 2022, US e-commerce spending **soared to more than $1 trillion**, representing the biggest year on record. That's an astounding number, and with all eyes on e-commerce, it's easy to overlook another eye-opening insight:

85%

of retail commerce dollars are spent offline with local businesses.*

*Source: **https://www.census.gov/retail/ecommerce.html**

The overwhelming majority of consumers today use digital tools to find information about local businesses and, increasingly, to perform transaction-oriented actions like ordering for pickup or booking an appointment. And the growth of e-commerce has trained consumers to expect a high level of digital presence from businesses of all kinds, including local stores and service providers.

But it's clear that brick and mortar brands are struggling to keep up with consumers' online expectations. According to our 2023 Local Visibility Index (LVI)—previously known as the Localized Marketing Benchmark Report—the average U.S. business:

Is virtually invisible in 2 out of 3 local searches, even when 9 of 10 consumers turn to search when they have a need.
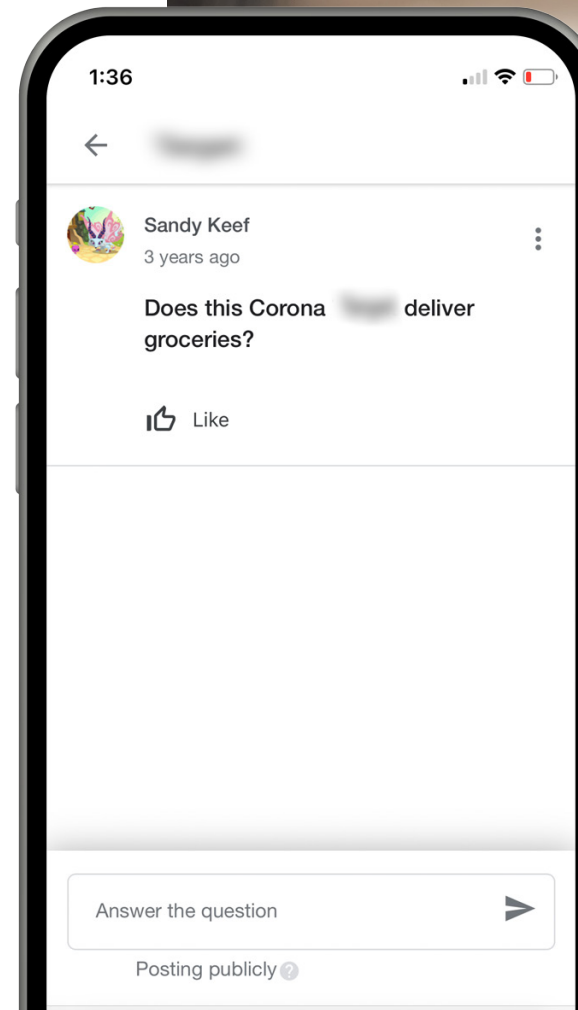
Ignores 92 percent of customer questions (like "Are you open late on Christmas Eve?" and "Do you sell golf equipment?") posted to their Google profiles.

Generates only about 3 engagements (reactions, comments, shares) each time they post on social platforms like Facebook.

The biggest offense brands are committing? Ghosting the majority of U.S. consumers online.

When a business responds to its reviews, searchers are 16 percent more likely to convert into buyers. Shockingly, though, the average brand responds to only 46 percent of online reviews, failing to address complaints and, worse, thank consumers for their feedback.

This type of digital "invisibility" comes at an incredibly steep price: it's costing the U.S. retail industry **$2.4B every year**.

In today's business landscape, where marketing budgets are shrinking and marketers are expected to achieve more with less, multi-location brands with brick & mortar presence have an opportunity to significantly increase their market share by simply engaging in meaningful, two-way digital conversations with consumers.

46%

The average brand responds to only 46 percent of online reviews.

$2.4B

Digital invisibility comes at an incredibly steep price for the retail industry—$2.4B every year.

For Brick & Mortar Enterprises, Local Visibility Equals Value

Consumers prefer to shop and engage with businesses at the local level, with **half of all Google searches showing local intent**. Search, reputation, and social are powerful drivers of business success on their own, but when combined into an omnichannel marketing strategy, their impact is even more significant. Moreover, by optimizing their presence and engagement across the most important digital channels, businesses can improve their visibility and establish Experience, Expertise, Authoritativeness, and Trust (E-E-A-T), which is important to Google and can help them earn the trust and loyalty of their customers.

How much would the average U.S. retail brand gain by increasing its local consumer visibility across search, reputation, and social? It stands to gain an additional **$24M** annually or an estimated $58K average in retail sales per location. Multiply $24M by the 50 percent of large chain/franchise US brands who are at average or below average visibility levels and we're looking at an incredible $2.4B in lost opportunity across the retail industry.

This report will explore data that was gathered from the Local Visibility Index.

E - E - A - T

EXPERIENCE   EXPERTISE   AUTHORITATIVENESS   TRUST

Exploring the Cost of Low Search Visibility

On average, there are 2,868 local Google searches in the retail category each month. Of these searches, the average business appears in only 33 percent of Google 3-pack results—meaning for two out of every three searches the brand is invisible. (Whereas brands who have fully optimized their local search presence appear in the 3-pack twice as often.)

Considering these searches generally have a 7.7 percent conversion rate with an average transaction amount of $50, we can estimate the average retailer receives $3,600 in revenue per location per month via Google. Multiply this revenue by 415 locations for the average chain/franchise brand and you're looking at $17.7M in lost revenue to a brand in one year.

Average Google search appearances per month for U.S. retail location: 2,868

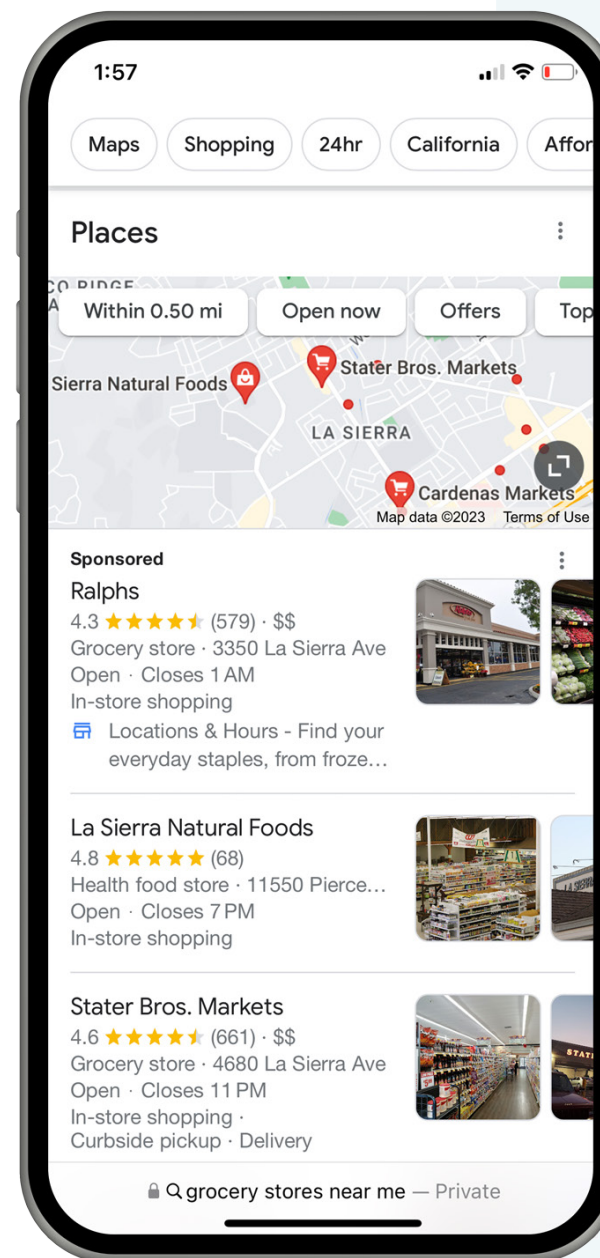**Total searches (67%) with rank below position 3: 1,922**

Conversion rate for locations ranked 4 or lower: 4%

Total current monthly value for low-ranked location @ $50/transaction: $3,844

Conversion rate for locations ranked 1-3: 7.7%

Monthly revenue lost through failing to appear in 3-Pack: $3,556

Annual revenue lost per brand with 415 locations: $17.7M

SEARCH CALCULATION

	2,868	Local Google Searches
	67%	Ranked 4 or lower in Google 3-Pack
	4%	Conversion Rate
X	$50	Avg Transaction
	$3,844	Monthly Revenue

4% Conversion Rate

	2,868	Local Google Searches
	67%	Ranked 4 or lower in Google 3-Pack
	7.7%	Conversion Rate
X	$50	Avg Transaction
	$7,398	Monthly Revenue

7.7% Conversion Rate

|		
	$7,398	High conversion Revenue per month
-	$3,844	Low conversion Revenue per month
	12	Months a Year
X	415	Locations
$17,698,920		Lost Revenue

Exploring the Cost of Ignoring Local Reviews

The average retail business receives 3 reviews per month and, of these reviews, 54 percent are left unresponded. More than 22 percent are negative, and a single negative review costs a business up to $3,000.

If the average chain/franchise retail brand has 415 locations each receiving 3 reviews per month over the course of a year, that's 14,940 reviews.

• If 54 percent of these reviews go unresponded that is 8,068 reviews

• If 22 percent of those reviews are negative, then that is 1,775 reviews

• If a single negative review can cost a retailer up to $3,000 then $3,000 x 1,775 negative reviews = $5.3M in lost revenue to a retail brand due to non-response to negative reviews.
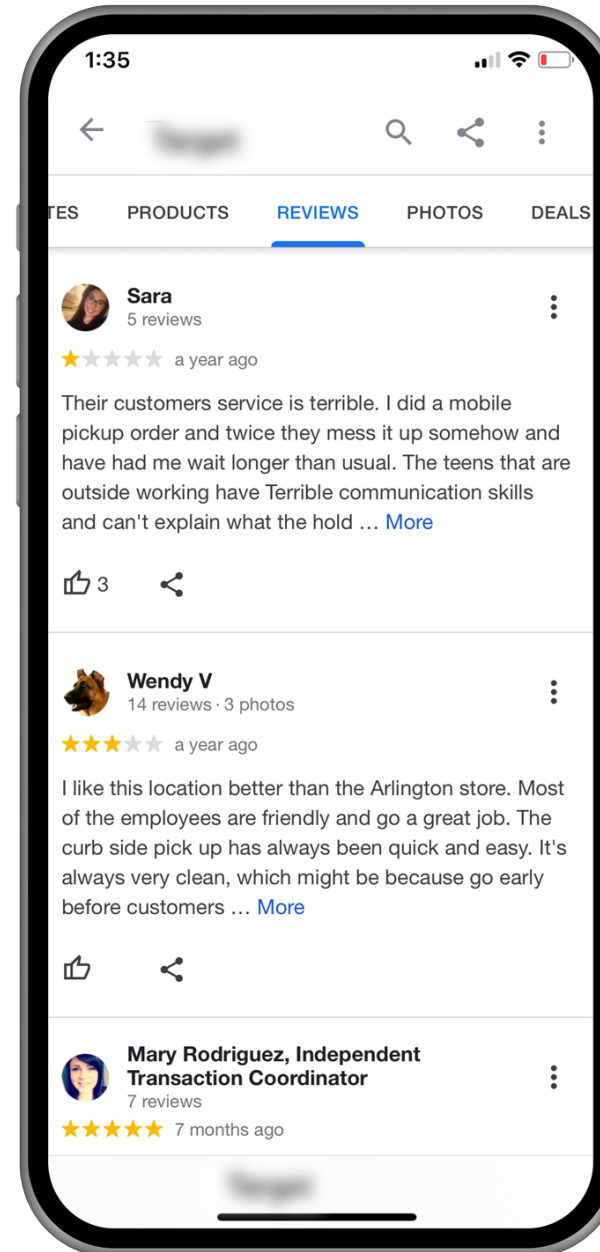
REVIEWS CALCULATION

	415	Locations
	3	Reviews per Month
	12	Months in a Year
X	**54%**	Avg Reviews Unresponded to
	8,068	Unresponded Reviews
X	**22%**	Average Negative Reviews
	1,775	Negative Reviews
X	**$3,000**	Cost per Negative Review

$5,325,000 Lost Revenue

# Exploring the Cost of Neglecting Your Local Social Community

Using the Ayzenberg Social Index, which calculates earned media values (EMVs) for social media engagements, we know a Facebook follower is worth $4.40 to a retail brand, and the average retail location has 457 Facebook followers. Retail locations that have optimized their local social presence have more than double the average per store page at 1,079 followers.

457 followers x $4.40 = $2,011

1,079 followers x $4.40 = $4,748

Retail locations with an optimized local social presence create $2,737 in additional value per location via larger Facebook audiences ($4,748 compared to $2,011). As a result, the average retail brand loses out on over $1.1M in social media value due to not fully optimizing their social presence at the local level, as seen in the calculations to the right.

*Source: **Ayzenberg Social Index**
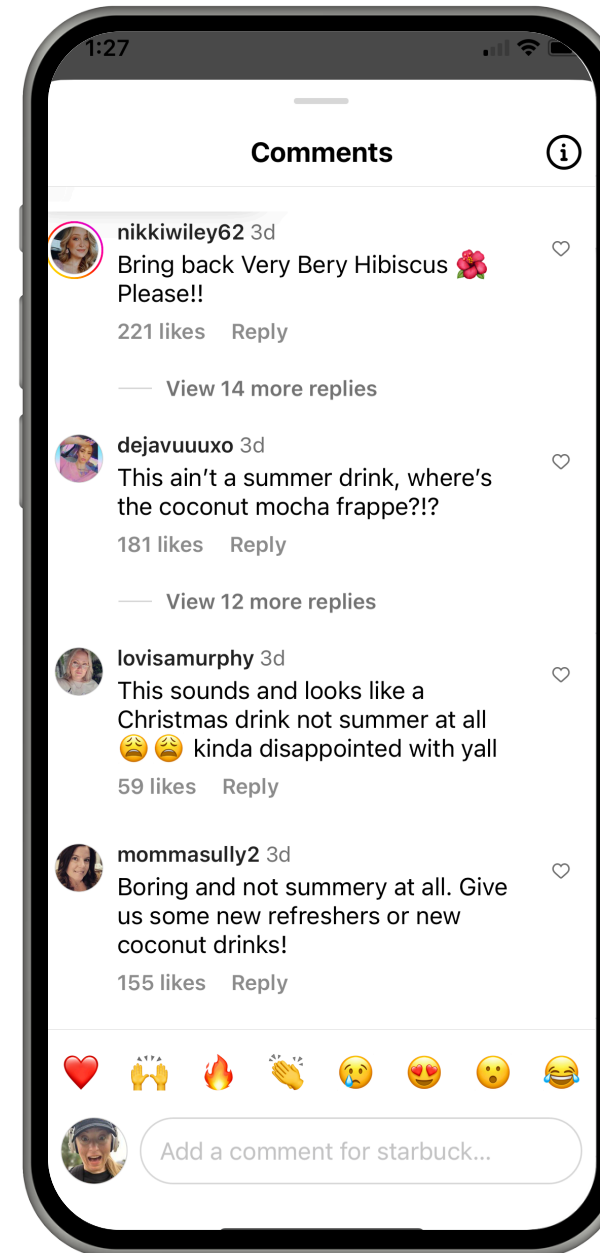
SOCIAL CALCULATION

$4.40	Facebook Follower Worth
1079	Projected Increase with Facebook Followers
X	**415**	Per Locations
$1,970,254	Projected Total Performance
-	**$834,482**	Current performance

$1,135,772 | Lost Revenue

The Local Visibility Imperative

For the brands that get local visibility right, the opportunity is limitless. The most visible local brands drive 4X the consumer actions (clicks, calls, directions requests) than the average business through local digital channels and see 149 percent more engagement than the average business when posting on social media. And when you overlay these insights with public data on revenue performance, we see that the most visible brands grow YoY in revenue at 2X the rate of the average brick & mortar brand.

Why? These businesses understand the fundamental priorities of localized marketing within search, reputation, and social, and have successfully utilized an omnichannel approach that emphasizes all three categories equally.

2X

The most visible brands grow YoY revenue at 2X the rate of the average brick & mortar brand.

"Retailer 'ghosting' is an alarming phenomenon with serious implications for brand reputation, customer loyalty, and online visibility."

MONICA HO, CMO OF SOCI

Multi-location enterprises can meet the visibility needs of local consumers by:

✓ Being available to consumers in their preferred channels for local search and discovery via social media.

✓ Providing the up-to-date, timely information consumers need to make informed decisions about where to spend their dollars locally.

✓ Actively engaging with consumers on digital channels when they have questions, complaints, or even positive feedback to offer.

✓ Offering content that local consumers will find useful according to your brand's area of expertise.

✓ Informing, engaging, answering, and delighting local customers on digital channels who have needs your brand can fulfill.

What Does Good Local Visibility (LV) Look Like?

For the past 5 years, SOCi has audited the LV performance of brick & mortar enterprises across the most important channels for digital search and discovery: local search, social media, and ratings and reviews. In 2023, we audited 588 companies across 39 industry categories—representing the full breadth of B2C product and service offerings in local markets—on 100 metrics. The overall LVI is the average of the category scores to the right.

Based on this data, we have seen modest improvements in many areas over last year's results and, notably, a 3-point YoY increase in overall LVI (50). But what's telling about the benchmark is that the average multi-location enterprise is taking advantage of just half of the available opportunities, and most are still building out their local visibility programs.

Across the three categories, we saw the highest LV should be improvement in search, with an overall benchmark of 54 out of 100 in the index (up from 49 in 2022), while LV for reputation remained flat at 46 out of 100 in the index, and social LV improved modestly, growing from 48 to 50 in the index.

Brands seem to have improved their profile optimization and search performance as well as their social posting frequency, whereas reputation has seen mixed results with greater attention paid to Google but diminishing focus on other platforms such as Yelp and Facebook.

54
Overall Search Benchmark

46
Overall Reputation Benchmark

50
Overall Social Benchmark

SEARCH

- ✓ Listings Management
- ✓ Profile Optimization
- ✓ Engagement & Reviews
- ✓ Onsite SEO
- ✓ Ranking

REPUTATION

- ✓ Star Rating
- ✓ Volume
- ✓ Velocity
- ✓ Variety
- ✓ Response

SOCIAL

- ✓ Listings Management
- ✓ Profile Optimization
- ✓ Audience
- ✓ Content
- ✓ Engagement

Driving Strong LV: Spotlight on Search

MOST NOTABLE IMPROVEMENTS FROM 2022 TO 2023:

- Brands now achieve an average of 33.4 percent 3-Pack presence for their most competitive keywords (compared to 23.8 percent in 2022).

- Brands who are fully optimizing their visibility in search achieved nearly double the visibility in the 3-Pack at 65.7 percent (compared to 61.6 percent in 2022).

- Brand locations utilizing secondary URLs for appointment booking, online ordering, and similar use cases increased to to 99.1 percent (compared to 71.2 percent in 2022).

MOST NOTABLE DECLINES FROM 2022 TO 2023:

- Brand locations utilizing local business schema in their local landing pages decreased to 30.3 percent (compared to 59.9 percent in 2022).

- Brands are generally neglecting the opportunity to improve Google profiles by adding fresh photo content, with the average age of the most recent Google photo declining to 526 days (compared to 472 days in 2022).

Three opportunities for brands to increase LV in local search:

Increase 3-Pack presence through Google Business Profile optimization (brands achieve top 10 status in Yelp searches 32 percent of the time versus 2.1 percent of the time in organic Google search).

Claim and optimize all other key profiles on sites like Yelp and Facebook.

Create informative, properly coded local landing pages for.

PLATFORM	CLASS	METRIC	2022 BENCHMARK	2022 TOP PERFORMERS	2023 BENCHMARK	2023 TOP PERFORMERS
G	Ranking	% Locations in 3-Pack	23.8%	61.6%	33.4%	65.7%
	Ranking	Avg. Local Rank	10.1	4.9	9.1	3.9
	Claiming	% Locations Claimed	99.0%	99.9%	97.8%	99.6%
	Profile Optimization	% Profiles Complete	97.7%	99.7%	93.9%	98.3%
	Engagement & Reviews	Avg. Review Count	223.9	563.7	178.8	482.2
	Engagement & Reviews	Avg. Rating	4.2	4.5	4.2	4.5
	Ranking	% Locations in Top 10	n/a	n/a	32.0%	61.1%
	Ranking	Avg. Yelp Rank	15.9	11.7	11.8	8.4
	Claiming	% Locations Found	98.3%	99.9%	98.9%	100.0%
	Claiming	% Locations Claimed	96.6%	99.7%	94.3%	99.8%
	Profile Optimization	% Profiles Complete	89.7%	96.2%	89.4%	97.6%
	Engagement & Reviews	Avg. Review Count per Location	19.8	42.2	15.0	34.0
	Engagement & Reviews	Avg. Rating	3.2	3.7	3.2	3.7
f	Claiming	% Locations Found	96.9%	99.5%	91.8%	98.3%
	Claiming	% Locations Claimed	97.2%	99.0%	99.8%	100.0%
	Profile Optimization	% Profiles Complete	85.7%	89.1%	88.4%	94.4%
	Ranking	% Locations in Top 10	n/a	n/a	2.1%	17.7%
	Ranking	Avg. Organic Rank	19.6	18.3	14.8	13.5
	Onsite SEO	% Has Local Business Schema	59.9%	98.5%	30.3%	97.7%

Driving Strong LV: Spotlight on Reputation

MOST NOTABLE IMPROVEMENTS FROM 2022 TO 2023:

- The average brand now responds to 46.3 percent of its reviews on Google (compared to 36.2 percent in 2022).

- Brands are responding to Google reviews in 6.3 days (compared to a dismal 27.2 days in 2022); Yelp reviews in 8 days (compared to 12.8 in 2022); and Facebook recommendations in 4.7 days (compared to 16.1 days in 2022).

- However, brands who are fully optimizing their local review response are averaging a response time of just 2.2 days on Google (compared to 12.3 days in 2022).

MOST NOTABLE DECLINES FROM 2022 TO 2023:

- The average brand responded to just 5.5 percent of its Yelp reviews (compared to 6.2 percent in 2022) and 10.8 percent of Facebook recommendations (compared to 28.3 percent in 2022).

- The average brand generates 2.6 new Google reviews per location per month (compared to 4.2 in 2022); 0.1 new reviews on Yelp (compared to 0.2 in 2022); and 0.05 new recommendations on Facebook (compared to 0.1 in 2022).

- The average brand location has 178.8 Google reviews (compared to 223.9 in 2022).

Three opportunities for brands to increase LV in rveputation:

Respond to as many reviews as possible on all platforms.

Respond in a timely fashion, ideally within 24 to 48 hours.

Use reviews as a source of consumer feedback to help improve business operations, leading to more positive reviews over time.

PLATFORM	CLASS	METRIC	2022 BENCHMARK	2022 TOP PERFORMERS	2023 BENCHMARK	2023 TOP PERFORMERS
G	Ratings	Avg. Rating	4.2	4.5	4.2	4.5
	Volume	Avg. Review Count	223.9	563.7	180.3	482.2
	Velocity	Avg. New Reviews per Month	4.2	11	2.7	6.2
	Velocity	Avg. Age of Most Recent Review (Days)	N/A	N/A	33.7	10.1
	Variety	% Positive Reviews	77.90%	87.90%	77.9%	87.0%
	Response	% Overall Review Response	36.20%	60.70%	46.3%	79.7%
	Response	Avg. Response Time (Days)	27.2	12.3	6.3	2.2
Yelp	Ratings	Avg. Rating	3.2	3.7	3.2	3.7
	Volume	Avg. Review Count	19.8	42.2	15.0	34.0
	Velocity	Avg. New Reviews per Month	0.2	0.3	0.13	0.28
	Velocity	Avg. Age of Most Recent Review (Days)	N/A	N/A	236.5	210.3
	Variety	% Positive Reviews	42.00%	58.70%	43.6%	59.0%
	Response	% Overall Review Response	6.20%	22.60%	5.5%	34.6%
	Response	Avg. Response Time (Days)	12.8	5	8.0	3.0
f	Ratings	Avg. Rating	4.3	4.6	4.0	4.3
	Volume	Avg. Recommendation Count	24.3	50	22.2	54.6
	Velocity	Avg. New Recommendations per Month	0.1	0.2	0.05	0.12
	Velocity	Avg. Age of Most Recent Recommendation (Days)	N/A	N/A	224.1	192.2
	Variety	% Positive Recommendations	74.00%	88.40%	72.4%	91.2%
	Response	% Overall Recommendation Response	28.30%	48.20%	10.8%	42.2%
	Response	Avg. Response Time (Days)	16.1	7.4	4.7	1.3

Driving Strong LV: Spotlight on Social

MOST NOTABLE IMPROVEMENTS FROM 2022 TO 2023:

- The average brand location posts on Facebook 8.9 times per month (compared to 7.3 in 2022).

- Brands are responding to 8.3 percent of the questions asked on their Google profiles (compared to 6.6 percent in 2022).

MOST NOTABLE DECLINES FROM 2022 TO 2023:

- Check-ins on Facebook have declined to 213.1 per location (compared to 529.1 in 2022) signaling that this form of social currency is no longer as relevant for consumers.

- Top performing brands are utilizing Google Posts less frequently at only 1.0 post per month (compared to 12.5 per month in 2022).

Three opportunities for brands to increase LV in social:

Engage more followers to build local audiences.

Post at or above benchmark every month to stay in touch with that audience.

Utilize video, be informative, be helpful, be entertaining, etc. in order to build higher levels of engagement in the form of likes, comments, and shares when you post.

PLATFORM	CLASS	METRIC	2022 BENCHMARK	2022 TOP PERFORMERS	2023 BENCHMARK	2023 TOP PERFORMERS
f	Claiming	% Locations Claimed	97.2%	99.0%	99.8%	100.0%
	Profile Optimization	% Profiles Complete	85.7%	89.1%	88.4%	94.4%
	Audience	Avg. Likes per Page	505.1	999	448.5	1039.2
	Audience	Avg. Followers per Page	523.1	1029.3	457.3	1079.0
	Audience	Avg. Check-Ins per Page	529.1	1576.8	213.1	937.9
	Content	Avg. Posts per Month	7.3	12.5	8.9	14.5
	Content	% Posts with Photos	72.6%	85.3%	69.7%	82.6%
	Content	% Posts with Videos	10.0%	14.7%	2.4%	4.7%
	Engagement	Avg. Reactions per Post	9.8	51.5	2.5	6.4
	Engagement	Avg. Comments per Post	1.9	11.3	0.3	1.0
	Engagement	Avg. Shares per Post	1.1	6.3	0.4	0.9
	Engagement	Avg. Engagement Rate	2.5%	6.7%	0.70%	0.77%
	Engagement	High-Valued Engagement Rate	0.6%	1.7%	0.15%	0.18%
	Engagement	% Locations Waterfall Posting	N/A	N/A	11.5%	0.0%
	Engagement	Avg. % Waterfall Posts	N/A	N/A	14.0%	0.0%
G	Content	Avg. Posts per Month	0.2	12.5	0.3	1.0
	Engagement	% Q&A Answered	6.6%	21.5%	8.3%	25.0%

Waterfall posting versus localized posting

This year for the first time, we make a distinction between waterfall posting and localized posting on Facebook. Waterfall posting occurs when brands use Facebook tools to copy posts from a corporate profile so that they also appear on Facebook store pages. Though this method can be highly efficient, it fails to create engagement at the local level, because every reaction, comment, and share generated by a waterfall post is counted as part of a brand-wide total, rather than attributed to individual locations. In contrast, localized posting, where each store page generates its own content, actually helps to build local audiences.

For example, imagine that a brand with 100 locations publishes a waterfall post that generates 100 likes, averaging one like per location. Posting the same content locally and generating just 10 likes per post would equate to 10 x 100 or 1,000 total engagements, or 10X the local impact of the waterfall post.

Brands are leveraging waterfall posts in significant numbers, with 43.3 percent of brands employing waterfall posts at least some of the time. Our revised scoring divides total engagements by the number of locations publishing waterfall posts, accounting for the markedly lower engagement rates this year compared to 2022.

Conclusions & Recommendations

Local visibility remains the biggest overlooked opportunity for brick & mortar enterprises, which is why this kind of research matters. When a brand optimizes its local visibility, it can incrementally boost organic search rankings, attract and retain loyal customers, and increase the traffic and sales of local businesses.

1

Local visibility links to tangible outcomes.

Brands who optimize their overall LVI above 50 have above average visibility locally and are taking more than their fair share of the billions of dollars being left on the table by their peers. Top performers are generating about 2X the YoY revenue of the average business and driving 4x as many consumer actions through local channels. And for every point of improvement in LVI from 2022 to 2023, brands saw an average YoY revenue increase of 3 percent.

2

Most brands need to make significant improvements to their local visibility strategy.

Brands in 2023 perform strongest in the search category with a benchmark score of 54, whereas social and reputation represent greater areas of opportunity at 50 and 46 respectively. However, all benchmark scores fall within the middle or "Building" tier of our maturity model, which means the brick & mortar enterprise is taking advantage of only half of the opportunities it could be.

3

Profile optimization, review response, and localized posting offer the greatest opportunity for revenue gain.

Though brands achieved high levels of overall profile optimization in 2023—with rates of 93.9 percent for Google, 89.4 percent for Yelp, and 88.4 percent for Facebook—key fields and features (such as Google secondary categories, merchant descriptions, and photos) are being underutilized.

Brands that respond to all of their Google reviews convert 16.4 percent more searchers into customers, according to SOCi's State of Google Reviews research, yet brands are still only responding to 46.3 percent of their Google reviews. The numbers are far lower for Yelp and Facebook.

Brands are too reliant on waterfall posting on Facebook (43.3 percent of companies publishing waterfall posts at least some of the time), which makes localized posting a highly significant differentiator for brands who want to grow local audiences.

Want More Data?

Dive into our Local Visibility Dashboard

Introducing our new online dashboard, which empowers you to explore the wealth of data in this year's LVI and drill down to examine the results for any of the 39 industries covered in this data set.
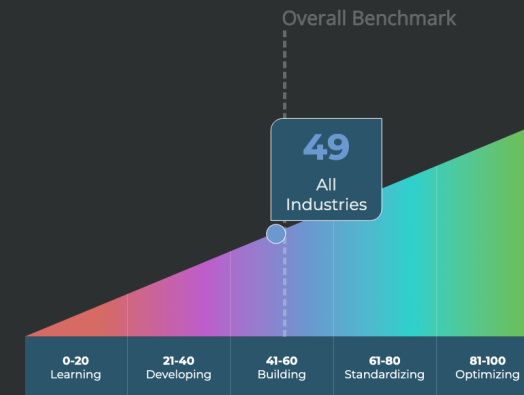
EXPLORE THE DATA

The Data

39
industry categories

588
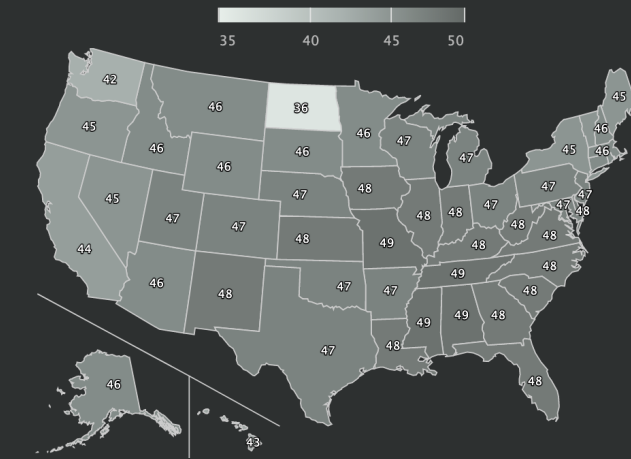multi-location enterprises

106,000
total locations
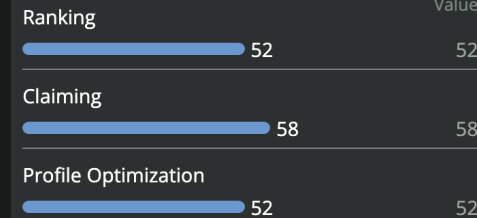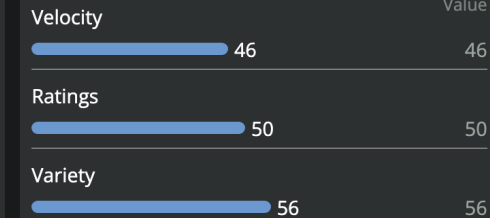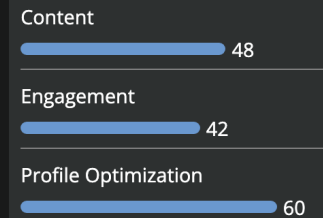
What is the Local Visibility Index?

(formerly the Localized Marketing Benchmark Report)

The fifth annual Local Visibility Index is a collaborative research project conducted by:

The Local Visibility Index examines how top brick & mortar enterprises perform in the most influential local channels, including search, reputation, and social.

The 2023 LVI includes audit data for 588 multi-location brands across 39 industry categories, representing the full breadth of B2C product and service offerings in local markets. This year, we augmented our company list significantly and added several new categories, such as "Coffee Shops, Moving Companies, and Sporting Goods". We audited a statistically valid sample size of each brand's locations at an accuracy level of 99percent, vfor a total location count of approximately 106,000.

LVI partner, Places Scout, extracted real-world, up-to-date presence data from Google, Yelp, and Facebook for each audited location, scoring performance on a 100-point scale. The overall LVI is the average of three scores across each of the following categories: Search, Social and Reputaion.

WANT TO KNOW HOW YOU STACK UP?

Request Your Local Visibility Score Today!

REQUEST AUDIT

SOCi®

**THE LEADING COMARKETING CLOUD
FOR MULTI-LOCATION ENTERPRISES**