Spatially + The Great American Franchise Expo

How Predictive Marketing Helped One Company Improve Its ROI By 500%

KEY RESULTS

81% REDUCTION TO COST PER LEAD

8.3x MORE FACEBOOK LEADS

36% IMPROVEMENT TO CLICK-THROUGH RATE

Reaching the hard-to-reach

For most companies, there is a set of a parameters that indicates the type of customer that is the most likely to be interested in a service or product.

For some, this could be a mix of demographics and psychographics (I want to reach women aged 20-34 interested in yoga). For others, it could be firmographic (I want to reach owners of retail businesses with 1-10 employees) or spatial (I want to reach consumers who shop at the Target on Main Street).

But what if your ideal buyer persona doesn't fit into any one clear mold?

For The Great American Franchise Expo (TGAFE), this was an all-too-familiar challenge. The Miami-based organizer of franchise trade shows across North America wanted to cement its first-mover advantage by going after future franchise owners when they were just beginning to entertain the idea of buying a franchise. They knew that it was both a niche audience and that their vast portfolio of customers didn't share a lot in common before taking up franchising. Some came from the corporate world, others from entrepreneurship. Some dreamed of running an Orangetheory Fitness, others of managing an Ace Hardware.

In the company's home state of Florida, customer targeting had never been a big problem. They had grown organically, one conversation at a time until their clients started referring a healthy stream of aspiring franchisees. But they knew the local market was only so big, which is why the company decided to go nationwide and ultimately global in 2017.

Starting in New England, TGAFE embarked on an ambitious plan: To tour North America with a series of conferences designed to connect local potential franchisees with the resources needed to make their dreams a reality.

As the company entered unchartered territories, exhibiting in a new city every few weeks, they knew their referrals would only take them so far. To really make this road tour a success, they would have to build some serious buzz with a local marketing campaign in each of the major cities on their route through Mexico, Canada, and the United States.

Casting a wide net

Without any obvious distinctions that separated a future franchisee from the rest of the population, TGAFE relied largely on mass marketing. They invested in billboards and street teams. They tried online advertising, but without any obvious filters, they targeted everyone within a 100-mile radius, knowing that a serious franchisee would happily drive a couple hours to make her dream happen.

The campaigns performed moderately well, but the leads they delivered were expensive. They were paying to reach millions of people, but only a small fraction (0.23%) were entertaining the idea of buying a franchise. Additionally,

while Google performed moderately well thanks to a smart keyword strategy, the company was almost at the point of giving up on Facebook and display advertising altogether.

Knowing that there had to be more local franchisees than what they were bringing into each event, they approached Spatially looking for a more targeted, cost-effective solution.

Targeting with precision

Before designing a single ad, Spatially worked with TGAFE to understand its customers, objectives, and hurdles. It was in these meetings that Spatially got the first insights into what a potential franchisee looks like: They often worked in finance, had 20+ years of experience, had saved up a small fortune, and were looking for a job that would allow them to become their own bosses.

Spatially then went back to the drawing board. Its team of marketers and data scientists took the insights provided by TGAFE and did its own research into what the average franchisee looks like: The degrees they hold, the household income they earn, the neighborhoods they live in, and the lifestyles they lead.

"Spatially helped us spend less time thinking about marketing and more time talking with franchisees. Their team went above-and-beyond to understand our business and exceed our expectations."

Nick Neonakis
Founder, The Great American Franchise Expo

TGAFE then used Spatially's **Custom Audience** targeting objective to tap into census data and locate those who best matched the newly detailed customer persona. The company knew that franchising was a costly investment and that a qualified franchisee would have significant savings; and for the first time, they were able to act on this knowledge. Connecting their existing Facebook and Google campaigns with Spatially, they were able to replace their 100-mile targets with precise location-based targeting around the residential blocks with the highest concentration of educated, high-income, white collar homeowners.
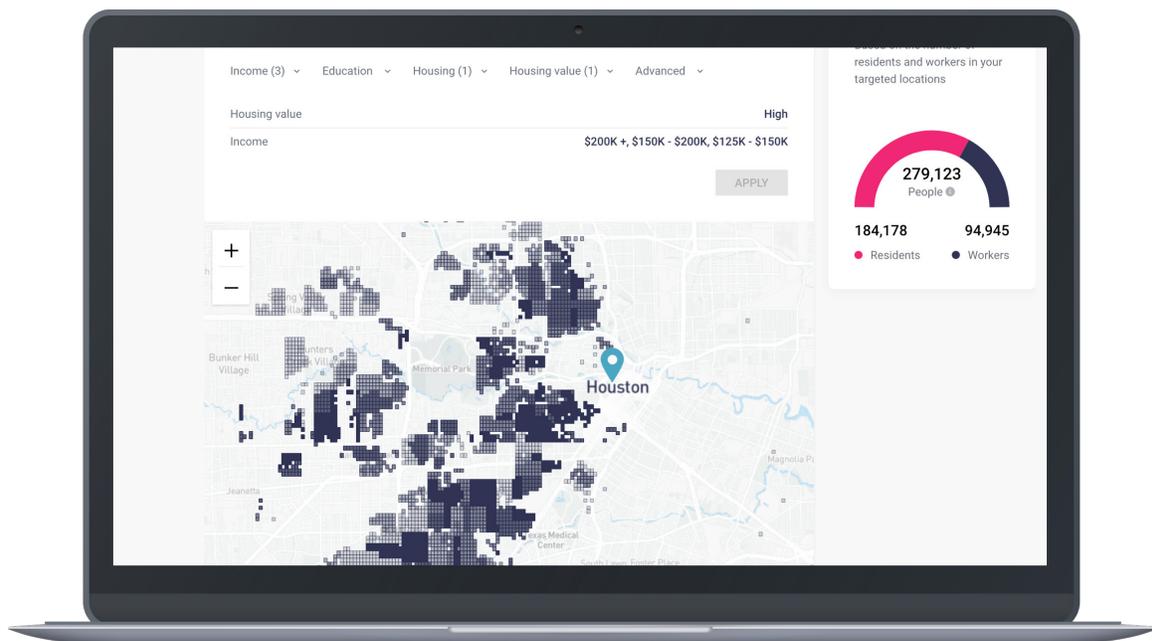
The result? The Great American Franchise Expo was able to focus its limited budget on those most likely to be interested in its events, rather than bidding on the entire metropolitan area—primarily consisting of those with neither the means of, nor the interest in, franchising.

Within three months of working with Spatially, TGAFE slashed its cost per lead by 81%, bringing it from $20.93 to $3.97, and increased its click-through rate by 35.5%. These improvements, in turn, opened up new budget savings that allowed the company to grow event registrations from Facebook Ads (a channel previously deemed unprofitable) by 829%.

Spatially and the Great American Franchise Expo continue to partner on digital marketing and supporting the franchise ecosystem with educational events throughout North America.

> *"We can't stop raving about Spatially. Their team transformed our marketing and grew our ROI by a factor of 5x. They helped us tap into census data to target segments we never thought we could reach, while shifting our ad spend away from those less likely to convert."*

Nick Neonakis
Founder, The Great American Franchise Expo