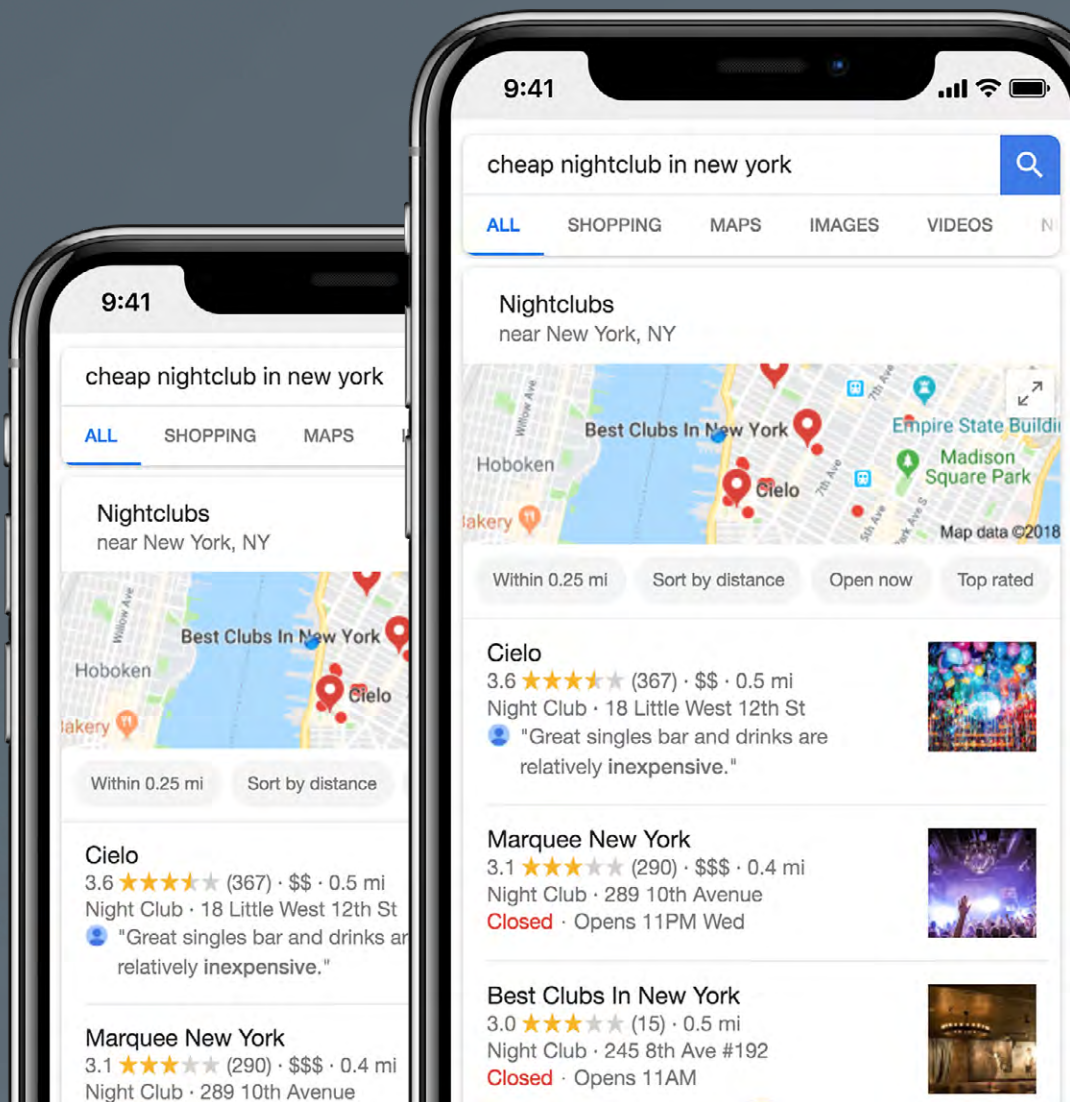




Whitepaper: SERP Features

# How Distance & Intent Shape a Local Pack



# Contents

<b>The case for tracking local</b>	<b>4</b>
<b>Defining geo-modification &amp; geo-location</b>	<b>5</b>
<b>Methodology</b>	<b>6</b>
<b>High-level findings</b>	<b>7</b>
<b>How google interprets local intent</b>	<b>8</b>
<b>The influence of geo-modification &amp; geo-location</b>	<b>10</b>
Local packs	10
Organic results	12
<b>Ranking factors</b>	<b>13</b>
Distance from the searcher	13
Google rating	14
Organic ranking	15
Advertising	16
<b>How google handles competing needs</b>	<b>17</b>
Quality	17
Affordability	18
Brand	19
<b>Key takeaways &amp; next steps</b>	<b>20</b>

## When every SERP is a local SERP, understanding what Google's top priorities are is essential — which is why we're unpacking the local pack.

In August 2017, a [Think With Google](#) piece stated that local searches without “near me” had grown by 150 percent and that searchers were beginning to drop other geo-modifiers — like zip code and neighbourhood — from their local queries altogether.

Since we can't always rely on a searcher to state when their intent is local, we should be looking at keywords where that intent is implied. But, before we start optimizing, we need to know whether Google is any good at interpreting implicit local intent. And if it's treated the same as explicit intent.

Consider these queries: [sushi near me] would indicate that close proximity is essential; and [sushi in Vancouver] seems to cast a city-wide net; while [sushi] is largely ambiguous — hungry for general info or actual sushi? And what happens with [best sushi], where quality could take priority over proximity?

Google's deciding what these queries mean, so it's important to understand that decision. In this study, we put local packs under the microscope to determine how Google handles different kinds of local intent and what elements go into shaping this local SERP mainstay.

In this study, we put local packs under the microscope to determine how Google handles different kinds of local intent.



## The case for local tracking

In some industries, the importance of local SEO and local SERP tracking is immediately obvious. These are typically products or services that are inherently tied to location: things like brick-and-mortar retail, real estate, professional services, automobiles and heavy equipment, restaurants and hospitality, and so on.

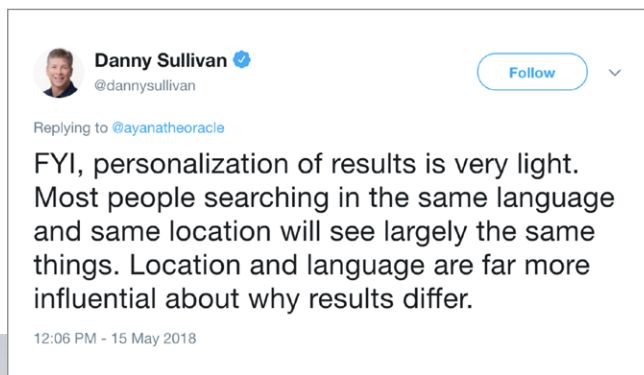
But what about businesses that are not as closely associated with in-person encounters?

Not long ago, we could expect that tracking a “United States” SERP would give an accurate depiction of what a searcher would see, regardless of where in the country they were. This is no longer the case. Google and every

other major search engine routinely modify search results based on location.

Since every SERP is now a local SERP, every business must pay attention to localized search results. Even if you ship globally, only sell digital goods, or are trying to attract new app users, poor performance on critical, high-volume local SERPs will still result in lost traffic and lost conversions.

We just can’t keep denying localization as an important factor — if not the most important factor — that Google filters its search results through.



## Defining geo-modification & geo-location

For every individual search, there are two distinct factors that determine whether and how the search results are localized.

- Geo-modification is when the searcher manually includes geographical terms in the search query itself — for example, in the search [best beaches in NSW Australia]. (Google calls this “explicit location.”)
- Geo-location is when the searcher’s device automatically provides location data as a part of the search query — for example, in the search [best beaches] when performed within Sydney on a smartphone. (Google calls this “user location.”)

Geo-location is essentially synonymous with “location services.” The search provider leverages data supplied by the device — including data related to GPS, cell towers, Wi-Fi nodes, and IP address — to help serve up relevant, local information without the user having to manually modify their search. Just about every device type employs this, whether it’s a smartphone, tablet, laptop, or desktop computer.

Because geo-location happens automatically when location services are active, with no direct intervention by the user, it is not by itself a strong signal of a searcher’s desire to visit a physical location. Geo-modification, on the other hand, is usually a very strong signal of a searcher’s local intent.





## The Methodology

So, when searchers aren't being obvious about their local intent, does Google still know what they're after? And does Google understand the different kinds of local intent, or does it have a one-size-fits-all approach?

To answer these pressing questions, we needed to create a highly segmented keyword list and implement one heck of a tracking strategy.

### Creating a keyword list

First, we needed to create our “base” keywords. These are non-geo-modified terms with implied local intent and were pulled from 19 industries and verticals that would require an in-person visit.

We built out our base keywords in three steps. Step one used the root industry term as a keyword, like [restaurant], [mechanic], and [nail salon]. Step two involved duplicating those and adding, when appropriate, all kinds of related adjectives: [Chinese restaurant], [auto mechanic], [acrylic nail salon]. Step three doubled that list and layered in various qualifiers, which gave us [best Chinese restaurant], [Porsche auto mechanic], and [affordable acrylic nail salon]. Altogether we had over 100,000 non-geo-modified keywords.

With the base keywords in place, it was finally time to geo-modify so we could see how Google deals with two different types of stated local intent: near and far. We took our base keywords and stuck “near me,” “in Portland,” and “in New York,” on each of them, giving us keywords like [restaurant near me], [Porsche auto mechanic in New York], and [acrylic nail salon in Portland].

### Implementing a tracking strategy

We then took all those keywords, stuffed them into STAT, and tracked them in two different zip codes within both New York and Portland. We used two zip codes so we could measure what a searcher might see depending on where they're standing within a city, and we used two cities because we wanted to confirm trends and understand any weird outliers in our data.

Device-wise, we went 30 percent desktop and 70 percent smartphone since Google is pushing mobile-first indexing and because we expect most people who look for hyper-local info do it from their phone.

When all was said and done, we'd tracked just over 1.2 million keywords.



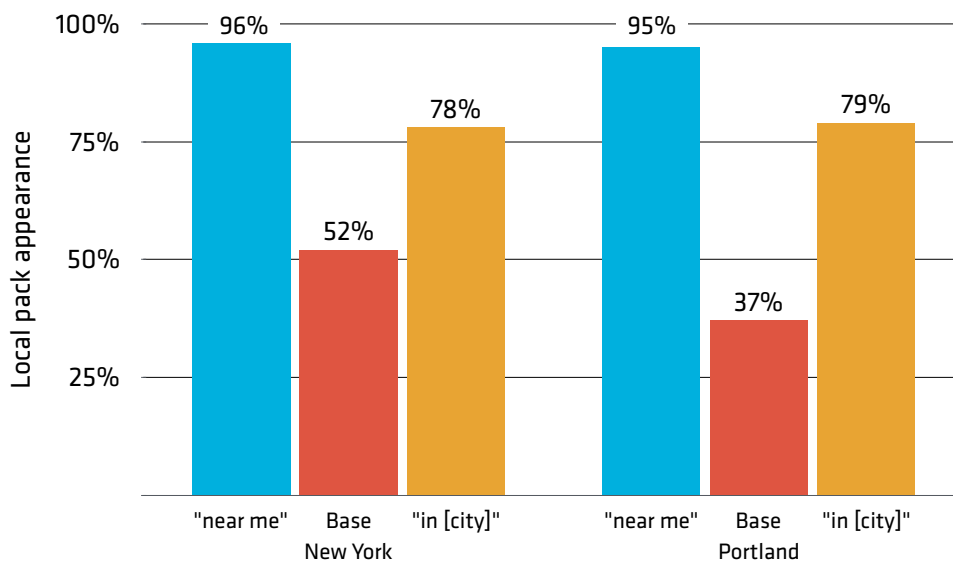
## High-level findings

Looking at our 1.2 million SERPs, we saw that 73 percent returned a local pack. This means that they're a huge opportunity for exposure if you're a brick-and-mortar business and a big, SERP-hogging annoyance if you're not.

Then, we segmented our SERPs by location and geo-modifier to see whether they affect the appearance of a pack. Of our three intent groups, "near me" surfaced the highest percentage of local packs — almost every keyword produced one. This is on par with what we'd expect. The query is clearly asking for local results and Google is able to deliver the goods.

Surprisingly, our "in [city]" queries didn't produce a local pack as reliably as our "near me" ones. The intent is also explicitly local with these, so we expected behaviour that's a little more similar.

When it comes to our non-geo-modified keywords, Google may be telling us that they have local intent, but it's not willing to go all-in with that assumption each time. This was the worst local pack performer of the group — showing up just over half the time in New York and only 37 percent of the time in Portland. We wouldn't be surprised to see numbers grow for this keyword set, but in the meantime, Google is still hedging its bets.

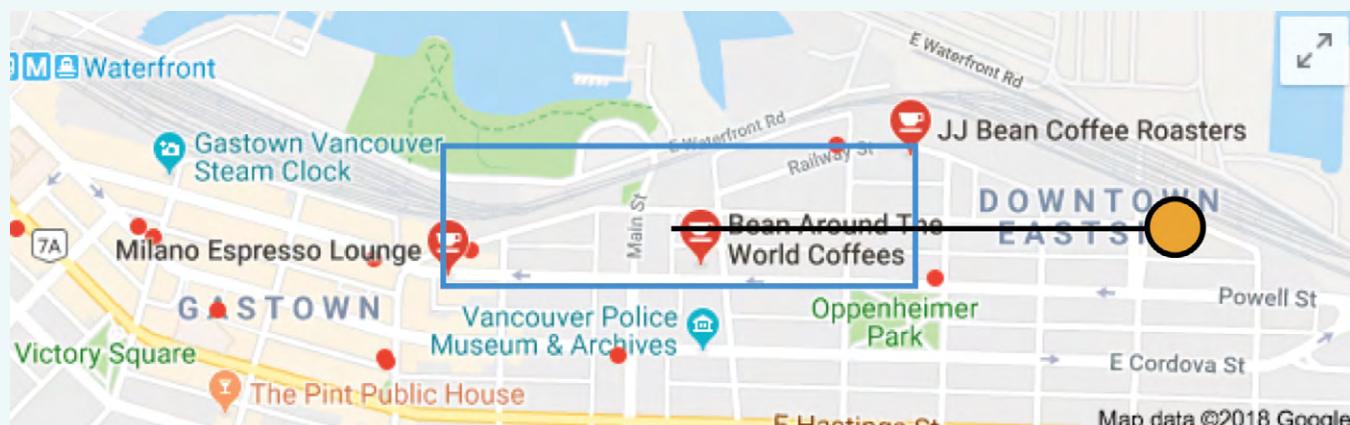


## How Google interprets local intent

Next, it was time to interrogate whether, and how well, Google can understand the individual asks behind our three different keyword segments. Can it distinguish between “near me” and far away local intent, and where does it put implied local intent on the map? To do this, we had to get a little creative.

After a few different kicks at the can, we settled on measuring the distance between the centre point of the local pack map and the centre point of each city’s zip code. We chose the middle of the map because Google centres its cluster of result pins around it, and we went with the middle of the zip code because that’s where our searcher happens to be standing. The theory being: the closer the searcher is to the centre of all the action, the more hyper-local the results are.

Can Google distinguish between “near me” and far away local intent, and where does it put implied local intent on the map?



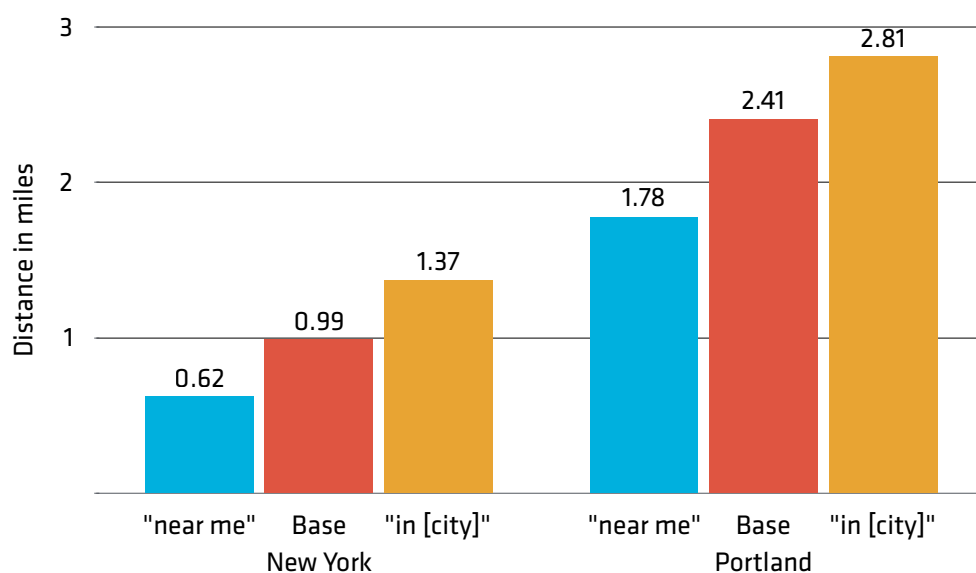


As we would hope, the zip code and map centre points were closest together on our “near me” SERPs. This means that Google knows the searcher is looking for nearby businesses and surfaces results that fit the bill.

Our “in [city]” SERPs returned the largest distances, which put their local pack results further away from the searcher. Google recognizes that by setting a city-wide boundary, the searcher is welcoming results from further away. Good job, Google.

When it comes to our implicitly local keywords, Google produced businesses that were further away from the searcher than with our “near me” intent, putting them closer to the “in [city]” results. To us, this is more evidence of Google’s uncertainty in handling these keywords. Not only will Google surface less local packs when the intent is questionable, when they do make an appearance, Google will assume that the searcher’s need isn’t immediate.

Google knows the searcher is looking for nearby businesses and surfaces results that fit the bill.



## The influence of geo-modification & geo-location

Finally, it was time to investigate just how much geo-modification and geo-location change a local pack. Is Google putting more stock in what the searcher's asking for or where they happen to be standing? And how do these two factors work together?

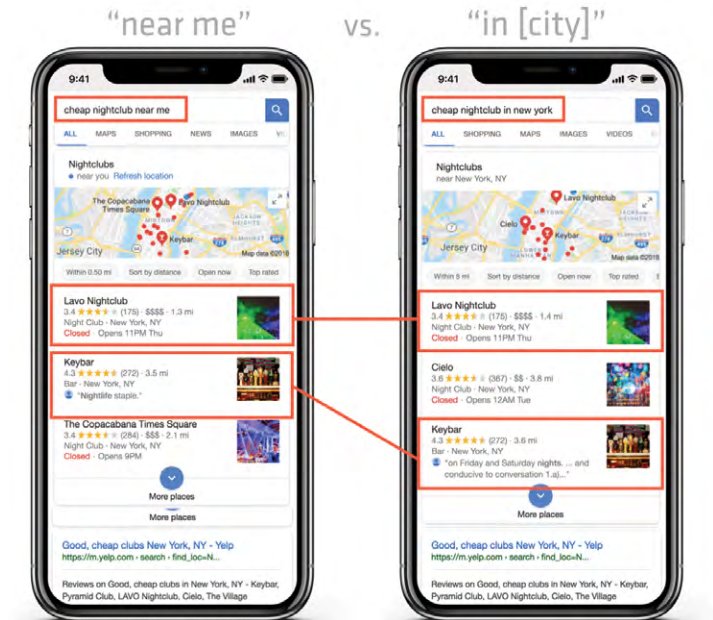
We already know that Google responds to different geo-modifiers accordingly, and that the appearance of a local pack can depend on the geo-modifier used, but understanding this relationship will help us determine which geo-modifiers we want to use and why. It will also give us a sense of how many locations in a city we may want to track and where they should be.

### Local packs

Getting to the bottom of all this involved a lot of slicing, dicing, and side-by-side comparing.

#### Geo-modification

To measure just the effect of geo-modification, we compared local packs where the location is the same but a different geo-modifier is used with each search. For example, let's say that two roommates are chillin' on their couch, hunting for a cheap night out in New York City.



One roommate's looking for the closest venue, [cheap night clubs near me], and the other wants to see what the whole city has to offer, [cheap night clubs in New York] — how different will their local pack results be? Turns out they'll see near-identical results, as geo-modifiers alone don't create overly unique local packs.

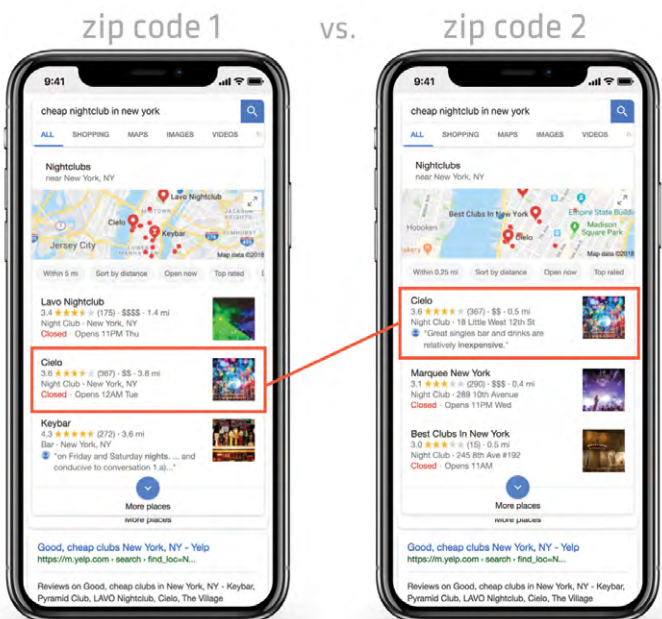
"near me" vs. "in [city]"	"near me" vs. base	"in [city]" vs. base
81.02% similar	80.84% similar	77.99% similar

We found that geo-modification changed our local pack results by roughly 20 percent, which, while not an insignificant amount, is certainly less than we anticipated. And since the level of local pack similarity is fairly steady across the board, we can say that no one modifier has more influence than the others.

## Geo-location

Next, it was time to layer in the location of the searcher to see how much of an impact it has on a local pack. Does it diversify the results or are only a few businesses making it in regardless of modifier and location?

This involved comparing local packs from different zip codes where the same query was used. In this case, our roomies are across town from each other, looking for a cost-effective night out close to their respective locations, *[cheap night clubs near me]*, in the hopes of luring the other out their way — are they still going to see the same results?



Here, we found much less similarity, telling us that the location of the searcher has a huge influence on local packs — way more than geo-modification does.

"near me" zip 1 vs. zip 2	Base zip 1 vs. zip 2	"in [city]" zip 1 vs. zip 2
26.17% similar	49.36% similar	63.66% similar

That said, location didn't affect our geo-modifiers equally. Results are more unique, and therefore more localised, the closer in our query is searching ("near me") and less unique the further out its searching ("in [city]").

Essentially, if you're on one side of the city and a friend is on the other and you both search *[sushi places near me]*, your local packs will return substantially different results. However, if you both decide to only search *[sushi places]* from your respective zip codes, suddenly, it matters a little less to your local pack how far apart you are. And, if you're performing a city-wide search for sushi places, well, you're closer to standing right next to each other like the party-people in our first example.

## Putting it all together

Our findings here indicate that the searcher's location is the starting point that Google uses to select eligible local pack listings. The intent of the query then determines how far away the businesses are that Google will choose from. Essentially, local packs prioritize where the searcher is before considering what they're asking for.

As such, if you're in the local SEO game, tracking multiple locations within a city is likely a good strategy — if only at the beginning to see how far your reach is. Geo-modifiers obviously still play an important role here, but you can afford to be a bit choosier with them.



## Organic results

Even though this study is all about that local pack, we'd be remis not to take a quick peek at the organic results that appear below it. We just can't trust Google to treat all result types equally.

In order to measure the influence of geo-modification and geo-location on organic results, we did the same kind of side-by-side comparing as before.

### Geo-modification

Looking at the effect of geo-modification in isolation (when our searcher's in the same spot using different geo-modifiers), we didn't see near as much duplication as we did for local packs, which were roughly 80 percent similar.

"near me" vs. "in [city]"	"near me" vs. base	"in [city]" vs. base
32.18% similar	39.77% similar	19.29% similar

In this case, geo-modification was responsible for changing our results by anywhere from 60–80 percent, which is huge. This tells us that Google considers our three local intent queries to be highly distinct searches. Our "near me" and base keywords had the most in common with just 40 percent overlap.

### Geo-location

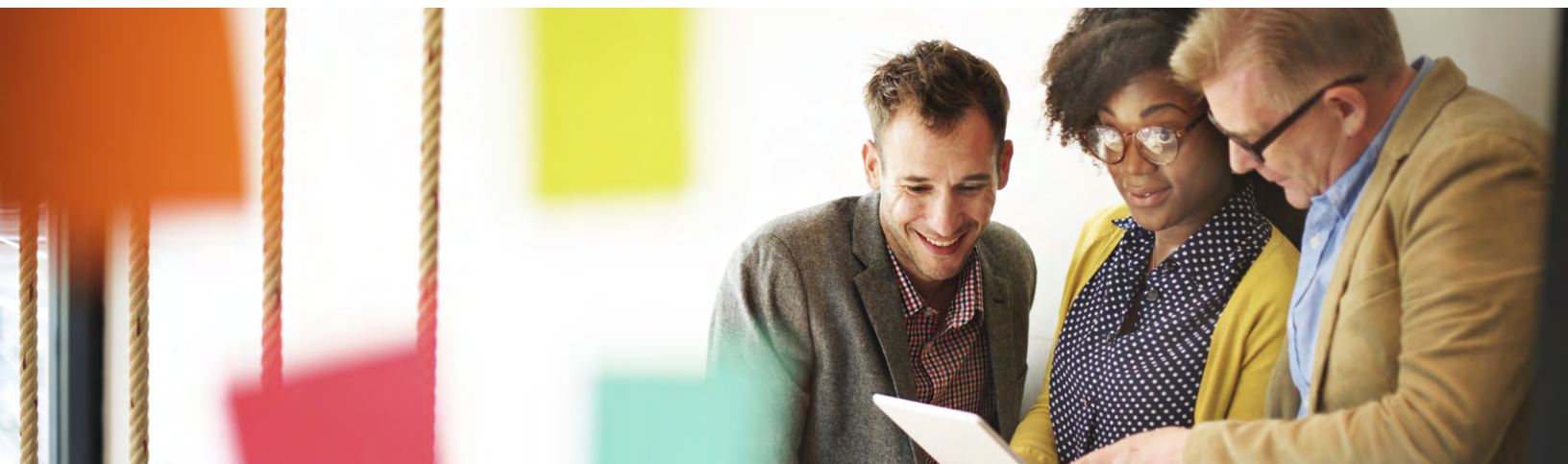
When it comes to how much a searcher's location can change up organic results (when the same geo-modifier is searched in two different locations), we saw way more overlap.

"near me" zip 1 vs. zip 2	Base zip 1 vs. zip 2	"in[city]" zip 1 vs. zip 2
75.22% similar	80.07% similar	81.32% similar

Again, this is the opposite of what happens with local packs, where the similarity ranged from only 26–64 percent. This reveals that the location of the searcher isn't having as huge of an impact on organic results as we may have initially thought, which mirrors what Darren Shaw from Whitespark found in [his February 2017 study](#).

### Putting it all together

When it comes to organic results, Google cares more about what the searcher is asking for than where they're searching from. So, if tracking in multiple locations in each city is out of the question for you, our findings here indicate that you can get a fairly decent picture of organic results by tracking in less locations, but diversifying the geo-modifiers you optimize for.



## Ranking factors

With a firm understanding of how Google handles things on the searcher's end — their location and local intent — the time was right to dig into how it handles things on your end. We looked at a few factors that help determine how you place in a local pack.

### Distance from the searcher

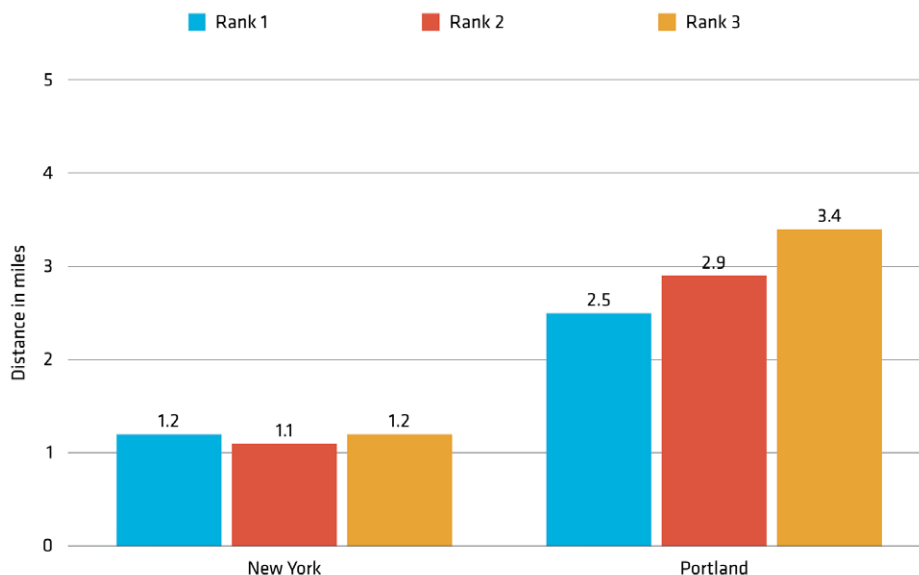
Using the distance away from the searcher that Google (sometimes) serves at the end of a local pack result, we found a clear trend of the first business in the local pack being closest to the searcher, the second being further away, and the third being the furthest. On the surface, it might seem that your position in the pack is entirely based on how close a searcher is to you, but we discovered that density plays an interesting role.

Breaking things down by location, we saw that Portland followed this overarching trend. New York, on the other hand, showed us something else: that the first local pack result can be as

far away as the third. What's likely happening here, is that because New York has way more of everything, Google can prioritise a better place that may be further away over a worse place that happens to be closer. So, scoring the top spot in a local pack doesn't necessarily depend on the luck of close proximity if you're in a more dense area.

Aside from "good to know," how do you make use of information that's dependent on the location of a searcher, especially when you never know where they are? Well, you do know where your bricks and mortar sit and, as we've shown, you can find roughly how far your keywords' local packs are reaching. In other words, you can make yourself the centre of Google's universe and work outward.

For example, we found that the most common distance away from a searcher that our queries returned was 0.3 miles in New York and 0.7 miles in Portland. So, if we're a business in either of those areas, we'd look for competitors that fall within that radius and do a little reconnaissance.



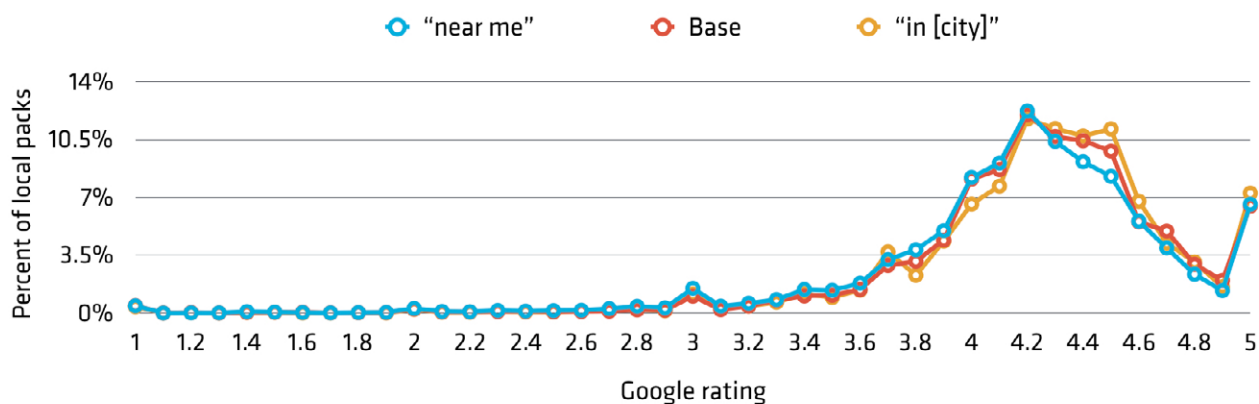
## Google ranking

After a top-level analysis, we found that the first result in a local pack typically has a higher Google rating than the second, with the third receiving the lowest overall. But these were only slight differences, telling us, at most, that having the highest rating has a decent chance of landing you a first place spot. Things got interesting when we segmented our ratings by local intent.

It turns out our “near me” keywords returned the lowest local pack ratings of the group. When dealing with hyper-local requests, Google seems to satisfy the location-need, delivering results that are closest but not necessarily best.

On the other end of the spectrum was our “in [city]” queries, which raked in the highest ratings. Thanks to the query’s wider reach, Google is free to go further to get higher-rated businesses, allowing the best rise to the top.

Putting everything together, it appears that Google first considers the distance requested by the searcher when compiling its results, and then layers in rating info. So, while a high Google rating is important, you have a little leeway depending on which keywords you optimize for.





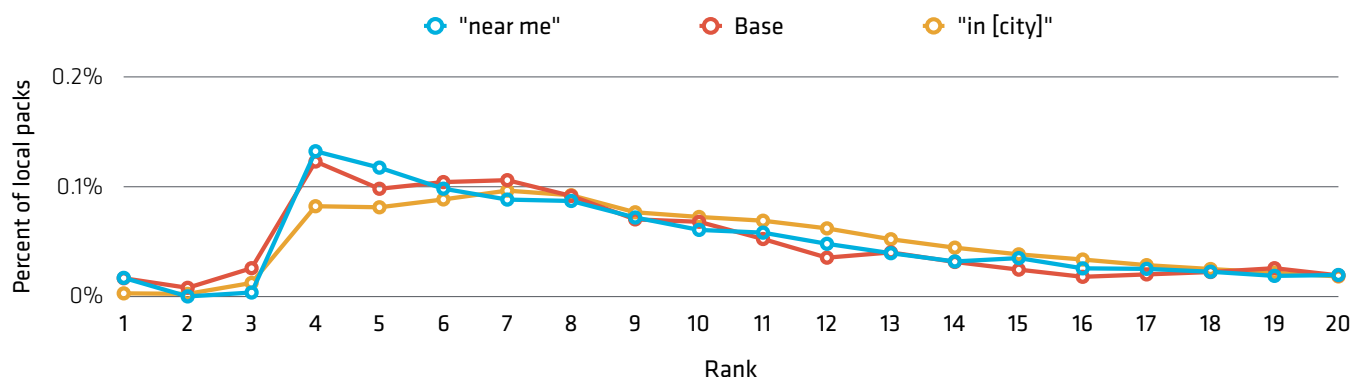
## Organic ranking

Curious as to whether your organic rank makes any difference to how you wind up in a local pack, we were a little surprised by the results.

We found that only eight percent of our local pack results had a website that searchers could access from the SERP itself. One reason for such a low number is that not every business that appears in a local pack has a website. The second, likely more prevalent reason is that Google wants to keep searchers on its stuff, not your stuff. To do this, it will frequently hide a website in the Google My Business listing,

forcing searchers to click a result in the local pack to find your website link. Foot traffic aside, this raises some questions around how much web traffic a local pack is good for.

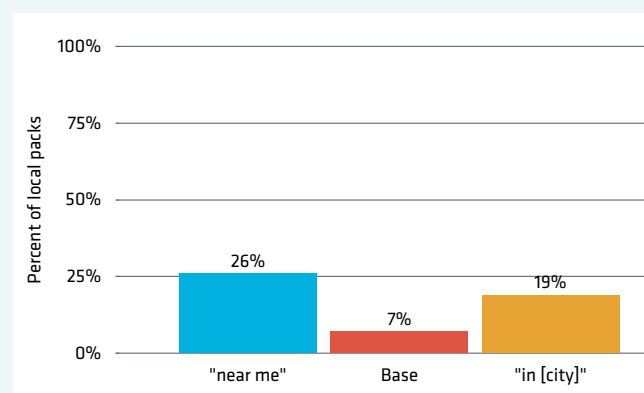
Of that eight percent, only 12 percent had an organic rank in the top 20. So, getting a top 20 rank isn't essential to appearing in the pack. That said, the most common rank positions that local packs pulled from were on the first page and varied slightly by intent. Our "near me" and base local pack results were found most often in the fourth spot — directly underneath the local pack — while "in [city]" results were typically in rank seven.



## Advertising

Lastly, we took a quick peek at the top spot you buy instead of earn. And, for now anyway, it seems that most local packs aren't subject to betting games — ad listings showed up in only 16 percent of them.

Here, as we've seen time and time before, different local intents exert different levels of influence. Our "near me" local packs returned the most ads, followed by "in [city]," and our base keywords brought in the least at seven percent. In other words, you're more likely to see ads in a local pack by geo-modifying your queries, and you're less likely to be shoved out of a pack by an ad on a non-geo-modified SERP.



You're more likely to see ads in a local pack by geo-modifying your queries.

## How Google handles competing needs

Our final look at local packs involved a subset of keywords with modifiers whose needs might compete with location — in other words, is what they're asking for more important than location? For example, when you're looking for the [best dentist near me] are you actually willing to go as far as necessary to get the top tooth doc, or are you willing to settle for whoever's the best of the closest bunch? And what's Google going to serve up?

We looked at modifiers that fell into three different topics: quality, affordability, and brand.

### Quality

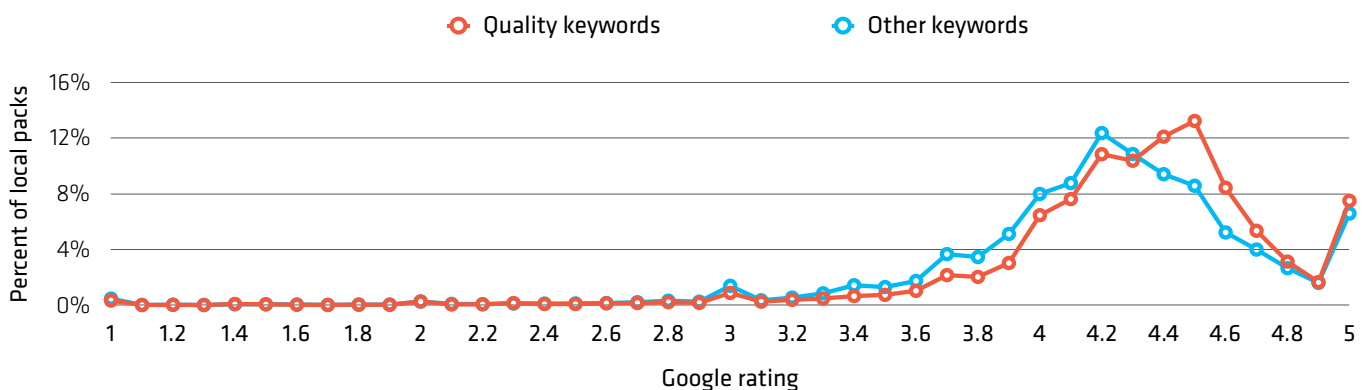
When people think of the best anything in their city, it's typically a smaller, independent shop — it's rarely a large national chain serving the best grub around. This would explain why we saw more variation in local pack results from zip code to zip code when quality modifiers were added (terms like “best,” “good,”

“recommended,” “excellent,” “expert,” “trusted,” “professional,” “highly-rated,” “five star,” and “#1”).

Originally, we expected to see only a few places being chosen as the best in the city (high similarity), but Google seems to think there are lots of bests, regardless of where you're searching from.

	“near me” zip 1 vs. zip 2	Base zip 1 vs. zip 2	“in [city]” zip 1 vs. zip 2
Quality keywords	24.17% similar	47.61% similar	61.50% similar
Other keywords	26.79% similar	50.37% similar	64.69% similar

Since the differences were small, to confirm that these modifiers were actually having an impact on our search results, we also looked at them from a ratings perspective. We found that quality-modified keywords returned higher-rated items in the places pack. We also discovered that the average number of ratings those businesses received was slightly higher than our non-quality group, suggesting you may need more ratings to be considered a “best” business.





## Affordability

When looking at keywords concerned with pricing, we saw more local pack overlap from location to location across our intent segments. This is the exact opposite of what our quality modified keywords revealed and tells us that there are fewer businesses that Google feels it can put in this category.

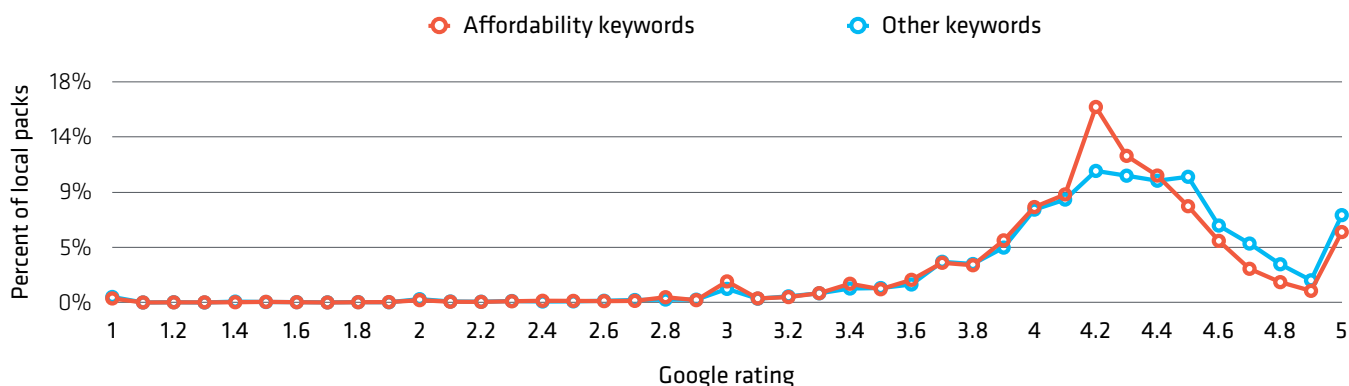
	"near me" zip 1 vs. zip 2	Base zip 1 vs. zip 2	"in [city]" zip 1 vs. zip 2
Affordability keywords	27.16% similar	50.76% similar	65.49% similar
Other keywords	25.97% similar	49.15% similar	63.29% similar

Again, though, these were small differences, so we looked to the median distance away from the searcher. There we saw that businesses

in the local pack were further away for these keywords — they had results sitting 1.20 miles away, while all others were at 1.17 miles. This helped confirm that Google is struggling to find a nearby affordable option and has to widen the net.

Unsurprisingly, we also found that businesses that appear in a local pack for price-related queries had consistently lower ratings.

So, if we're a business that sells itself on affordability, we now know that competition is a little less fierce and ratings aren't as important for these types of keywords (which, for us, included terms like "cheap," "inexpensive," "budget," "deals," "discount," "free," "sale," "affordable," and "subsidized").



## Brand

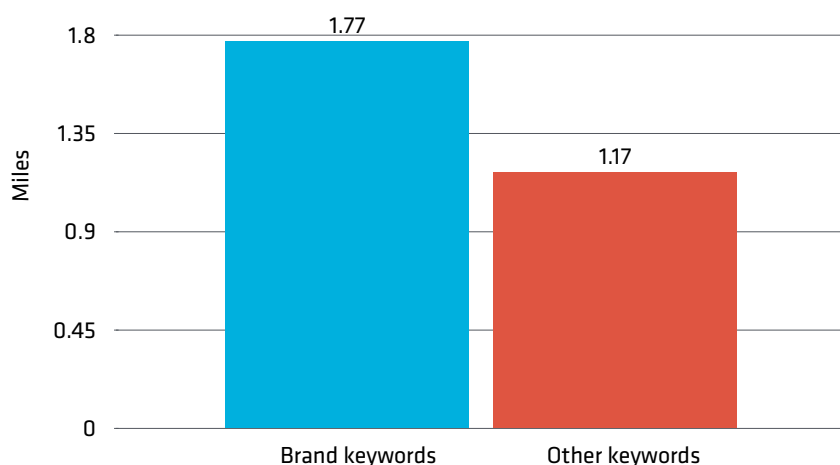
Lastly, we took a peek at brand modifiers. These included “Ford,” “Mazda,” “Hyundai,” “Honda,” “BMW,” “Mercedes,” “iPhone,” “Sony,” “Samsung,” “Pixel,” “Apple,” and “Blackberry.”

First, we saw a large increase in the amount of similarity that local packs had from one zip code to the next.

	“near me” zip 1 vs. zip 2	Base zip 1 vs. zip 2	“in [city]” zip 1 vs. zip 2
Brand keywords	45.57% similar	62.65% similar	72.64% similar
Other keywords	23.34% similar	47.62% similar	62.22% similar

We also saw a large increase in the median distance from the searcher, which means that these results were much further away than for non-branded terms.

This stands to reason, since the places that are triggered by a brand keyword are likely extremely specific. Think of how many Porsche-only mechanics you might find in a given city compared to the number of every-car mechanics. Google is giving these branded terms a definitive weight, so if you aren’t already segmenting and optimizing for them, you should.



## Key takeaways & next steps

If you're looking for the TL;DR or a quick recap of what you just read, we've got you covered:

- Every SERP is a local SERP.
- An increase in search terms without geo-modifiers doesn't equal a decrease in geo-modifier use — searchers still use them and Google still interprets and treats them differently.
- Google can distinguish between “near me” and far away local intent, and implied local intent sits somewhere between the two.
- Local packs provide huge opportunity for exposure if you're a brick-and-mortar business.
- Distance, Google ratings, and organic rank all play a role in determining the makeup of a local pack.
- Local packs consider where the searcher is before what the searcher's geo-modifier is asking for.
- Organic results care more about the searcher's geo-modifier than where the searcher is standing.

Since local packs and organic results are both subject to the whims of geo-location and geo-modification, incorporating them into your tracking strategy is a must. Here's how you'd go about doing that:

### 1. Choose your favorite Geo-modifiers

We went with “near me” and “in [city],” but you don't have to. How about:

- near by
- nearest
- near
- local
- downtown
- in [neighborhood]
- close
- close by

Just keep your locale, your searchers, your business, and your budget in mind.

### 2. Track multiple, hyper-local locations

Google cares a lot about location and so should you. The closer you can get to a point on a map, the better; the more locations you can track, the more searchers' SERPs you'll cover.

We recommend a combination of any of the below to both narrow down your location and avoid ambiguity when the same names crop up multiple times in your market — Main St., anyone?

- Geo coordinates
- Street address
- Postal code or ZIP code
- Neighbourhood
- City
- State, province, or county



For example, in this study, two of the locations we tracked were 10038 New York, NY and 97204 Portland, OR.

If you're ecommerce-only, we know it feels strange to pick a physical location when your business lives online. But, as the saying goes, one SERP that searchers actually see in the hand is worth two make-believe market-level SERPs in the bush.

### 3. Segment your keywords. A lot.

You may have noticed that our findings were largely dependent on how we chose to slice and dice our keywords. This goes double for you.

Let's say we're an e-commerce business that sells bed & bath and kitchen accoutrements, and we know that most of our online sales come from New York City and Portland. We could segment our keywords by city, geo-modifier, or product (see figures 21 – 23) — or even all three — depending on what we want to focus on.

### 4. Get analyzing & optimizing

Once you've got your keywords segmented every which way, sit back and let the insights roll in. With enough data under your belt, you'll be able to build the right local SEO strategy for your business.

So, what are you waiting for?



Figure 21. Segmenting by city.



Figure 22. Segmenting by geo-modifier.



Figure 23. Segmenting by product.



## About Moz



Moz is the leader in search engine optimization (SEO) technology and local search management. Founded in 2004 and headquartered in Seattle, Moz was the first company to bring together SEO experts to help marketers learn how to reach their customers in a more efficient way by improving their visibility in search results. For more information, please visit [moz.com](https://moz.com) and follow us at [twitter.com/moz](https://twitter.com/moz).

