

Sam Carlson: What's up you guys? Thanks for coming to Ask The Pros. Today, we've got my good buddies, Dr. Chad Woolner. And the man, the myth, the legend, the tech genius, the wizard of all wizards behind the curtains-

Jacob Morris: Jacob Morris

Sam Carlson: ...that's right. Jacob Morris. That's right, Jacob Morris. How are you doing, buddy?

Jacob Morris: Doing good. How about you guys?

Sam Carlson: Doing good man. So today in Ask The Pros, we're talking about something that I get asked all the time. It's extremely misunderstood, but I'll tell you what. There's a lot of sizzle around that today.

Jacob Morris: Yes.

Sam Carlson: So we're talking about geo-fencing. Okay. And if there's anybody that can talk about geo-fencing, it's this guy.

Jacob Morris: For sure.

Sam Carlson: Do me a quick favor. Give me a broad concept. What is geo-fencing? And what's the buzz about it right now?

Jacob Morris: Yeah. Geo-fencing is basically where you enter an area that either your competitor or you, yourself are doing advertising. You kind of mark this area. If anybody walks in here, you tag them, right? And then from there the concept is you can then serve ads to them wherever they go outside of that area, encouraging them to come back to your shop or yada, yada, yada. Right?

Sam Carlson: Right.

Jacob Morris: This actually really got popular because Google put out these things called Beacons. When you sign up for a Google My Business account. A Brand new Google My Business account, they'll actually mail you these Beacons. And it's supposed to behave, you get within 150-200 feet of your store, everybody's phones is going to get a little push notification saying, "Hey, come in, we're having a sale or whatnot." And so when they pushed out all these Beacons, everybody started saying, "Oh, what's this geo-fencing magic that everyone's talking about?" And jumped in there like, "Oh, this is going to be the best way to get all these kind of new patients, get personal injury."

Sam Carlson: Sure. Any business, right?

Jacob Morris: Yeah.

- Sam Carlson: Local businesses were going crazy for this thing.
- Jacob Morris: Oh, totally going crazy over it. Not understanding how it actually works and how the user experiences at the other end of it.
- Sam Carlson: Well, and rightly so, I mean, you can see why people are so interested. There is like this craze. I cannot tell you. In fact, it was funny. I had a guy come to me after he went to a Grant Cardone presentation. He said, "Hey man, we've got to do some geo-fencing." And we're going to get into our take on it, how it works and you know, method of operations and things like that. But it's, there's a ton of buzz. Have you heard much about geo-fence?
- Dr. Chad W. : Yeah, well, I first learned about it when it was first in its inception, right? And so I think for me, I think I was kind of in that camp where I maybe misunderstood or maybe assumed too much from it, that it was going to be this magical thing that was going to let you know. Because from a marketer standpoint, everything marketers want is the exact opposite of what consumers want in terms of privacy. You know, everybody who's freaking out about what, you know, Facebook, if you ever saw that documentary about Cambridge Analytica.
- Sam Carlson: Yeah.Yeah.
- Dr. Chad W. : I am like-
- Sam Carlson: Is it called Big Data?
- Dr. Chad W. : Yeah. Where, I basically just come away from the show thinking...
- Sam Carlson: Awesome.
- Dr. Chad W. : Yeah. So what? This data is useful. You know? And again, I think that the problem or the challenge maybe is the fact that I know that my approach towards marketing as with your guys' is always beyond reproach. It's very ethical. We don't do anything, you know, we don't use that data inappropriately. Whereas, obviously that getting into the wrong hands can be the case. And obviously it, that's not the point in attentive today's episode. I wasn't going to take us down those rabbit holes, but, but to answer the original question, you know, am I familiar with it?
- Dr. Chad W. : Yeah, I'm familiar with it from the standpoint of when I originally saw it, I saw immense opportunity from that standpoint.
- Dr. Chad W. : But I think Jacob's going to kind of fill us in on "put the brakes on, hold on". Because as exciting and as sexy as you think that probably is, there are some constraints of reality that need to be taken into consideration. Because I think

me, like most people when they first hear that they think that it's this magic bullet. You know, with a lot of new marketing.

Sam Carlson: A lot of the tech capabilities are sold as a silver bullet and a lot of times that's not, they're more of a support to an overall strategy and they're not really, they don't have the cachet, the sizzle that they really have. So before we go any further, I have, we're going to share some personal experiences that you and I spent quite a bit of money testing this.

Jacob Morris: Yep.

Sam Carlson: What is, before we do anything else, I want to establish the difference between two terms. Okay. Geo-fencing.

Jacob Morris: Yep.

Sam Carlson: Geo-targeting.

Jacob Morris: Okay. Yeah, there's a big difference between the two.

Sam Carlson: Okay, because people use them synonymously. So what is, what are they, how do they differ?

Jacob Morris: Yeah. So we'll just start with what we're talking about. Geo-fencing. So geo-fencing is where you can actually get into a very micro level of targeting. So that's where you can literally draw a square around a building and say if anybody walks in that square, tag them.

Sam Carlson: Right.

Jacob Morris: Right. That's geo-fencing.

Sam Carlson: And the implications for that, I mean the place that your mind automatically goes, it's like, well, "Hey, we could geo-fence an attorney's office, right? A personal injury attorney and boom, anytime somebody walks into that, walks through that fence, you're ready to go."

Jacob Morris: They are tagged. Yeah, so that's that side of it. Then geo-targeting is what you see when you go onto your Facebook ads. You go on Google ads and you're building out your advertising and it says, "Hey, put an address in?" Okay, give me a radius. Do you want a one mile, two mile, five mile, twenty? That's geo-targeting. That's basically saying, "Okay, I'm going to take this radius of people, and everybody in this radius, that also meets my criteria. Either search or through interest based targeting on Facebook. Show my ads to them." That's geo-targeting.

Dr. Chad W. : The way that I'm hearing that is, it almost sounds like the geo-fencing is technically speaking more of a behavioral based tagging tool, meaning with geo-targeting, what we're talking about is we're assuming we're targeting a radius. That's where people live or reside or hang out or work or wherever. Whereas with the geo-tagging or geo-fencing, I keep saying tagging, but same, same idea is that you're really tagging a behavior. Meaning if somebody takes this action, I.e., they walk through this door, it's no different than re-targeting from a website. Right. If they visit said website, you can re-target them. If they visit this location, we can re-target them.

Jacob Morris: Yep. Exactly.

Dr. Chad W. : So is that a good way of looking at it?

Jacob Morris: Yeah, that's exactly. Exactly right.

Sam Carlson: So at this point, like when people figure out this information, right, they're excited about it. So I guess the first thing is, is geo-fencing real?

Jacob Morris: Oh, definitely real. So, and this is the thing, geo-fencing was developed not for the little guys, initially. It is developed for your Walmart's, for your big box stores. And basically what it was is when somebody, when a customer walks into your big box store, you can incent, hey we're, we've got a sale over here in sporting goods. We've got a sale over here and milk or whatever and you can have these ads show up because we know you're on your phone researching. So then we can have these ads show up while you're in the store and then get you to the, go to other parts of the store. That's why geo-fencing was initially developed as for the big box retailers.

Jacob Morris: So it absolutely works. They use it all the time. That's why you'll see if you ever are on your phone in there and you're on a website and all of a sudden you're getting a Walmart ad. It's because they tagged you, they G, they're able to geo fence you, right.

Jacob Morris: So it definitely works, but not the way that medical professionals are expecting it to work. And it's because what the big guys have that you don't have is they have a Walmart app, they have a target app, they have all those things that are collecting your information and sending it directly to them.

Jacob Morris: Right? And that's why it's able to work. Now these other things that have popped up, that's where we start getting into the murky water of why geo-fencing for most people is not the direction you want to go.

Sam Carlson: So I kind of want to segue, hopefully we've given anybody watching this a good enough foundational understanding of what the two are.

Sam Carlson: Okay. Technically now I do want to put it, so I mean, like any person that wants to get better at anything they're doing. When I heard about this and you and I heard about this, it was like, we got to test this.

Jacob Morris: Yep.

Sam Carlson: Right? So I kind of want to walk through that experience because I think we spent a lot of money doing it. That money is money we lost and we don't, you guys, you know, if you're watching, you guys don't need to lose it.

Sam Carlson: So I do want to kind of set up the hypothesis, like how we, our strategy and then the results and why and, and we'll get down to like our reasoning, our take, our takeaways. I don't think we've killed the thing dead in the water, but right now we have some, some takeaways on it.

Sam Carlson: So, you and I, let's, let's talk about the strategy. So walk me through our, and we, we tested this, what is, this is the end of 2019 we tested this when?

Jacob Morris: 2018 so it was just last year.

Sam Carlson: Yeah, just last year.

Jacob Morris: Yeah.

Sam Carlson: And we spent a substantial amount of money to the tune of, you know, \$8-\$10,000, something like that, and what was, what was our strategy and then kind of walk us through how that all worked.

Jacob Morris: So our primary goal is actually going after personal injury. It was when we were going with buildings, geo-fencing. And so we, we basically said, okay, where are people that are going to get in a car accident? Where are they going to go? Well, they're going to go to body shops they're going to go to urgent cares, they're going to go to lawyers that specialize in personal injury. So we basically, we pick these addresses and we said, okay, we want to draw a fence around anybody that goes into this address.

Jacob Morris: And we actually set up the strategy too that if you are a repeat person that we would actually exclude you from it would being the comp set of the employees are going to go there every day. Right? So if you, if you show up there every single day-

Sam Carlson: Right.

Jacob Morris: ...we're going to exclude you. So we only want the people that came once, you know, once a week kind of a deal and, and, and showing up. And so that was our

strategy behind it. And then we were going to build ads and show them ads based off of that behavior that they were taking.

Sam Carlson: Yeah, and so the behaviors were happening. We were getting people to go into and so we were building, would you call it an audience? I guess you would call them-

Jacob Morris: Yeah an audience. We were building up an audience.

Sam Carlson: ...yeah. We were building up an audience and really, so I think initially like there showed some sign of hey, there's some traction here. The problem came when the delivery side of things, right? The actual delivery of the clicks.

Jacob Morris: Yes.

Sam Carlson: Right?

Jacob Morris: Yep.

Sam Carlson: So walk us through that.

Jacob Morris: Yeah. So and well, and this is when we did our test, it was just, you mentioned the Cambridge Analytica deal, right? So this is just-

Sam Carlson: This is before that.

Jacob Morris: ...after.

Sam Carlson: No. Is it before or after?

Jacob Morris: It was just after the Cambridge-

Sam Carlson: Okay. All right.

Jacob Morris: ...Analytica debacle. Right. So prior to Cambridge Analytica, the geo-fencing stuff was acted a little bit differently as far as targeting was concerned. Cause he used to be able to download a list of IDs and then you can upload those IDs into Facebook, into Google and all these other kinds of stuff.

Jacob Morris: After Cambridge Analytica, both Facebook and Google said no, no more of that. Right? So now all these geo-fencing companies, they had to basically develop their own relationships with advertisers directly or with publishers directly in order to put their ads on their platforms. And of course the easy one to go for is those free game apps that you download. That's who, they partnered up with to be able to both collect data and then put advertising on. And so that's where the delivery problem really came into play was we weren't able to deliver on

Facebook, we weren't able to deliver on Google because it was against their policies now.

Jacob Morris: So now what we had to do is basically put it on those, all those games where you get interrupted by that annoying ad. And now here we are interrupting you playing your game.

Sam Carlson: And Chad, you love that?

Dr. Chad W. : Sheesh. Yeah.

Jacob Morris: So, so no matter of the most amazing offer, the most amazing creative ever-

Dr. Chad W. : If you can't serve it up.

Jacob Morris: ...that's going to get you a click on that ad, right?

Sam Carlson: Yeah.

Jacob Morris: You're just annoyed and ticked off the whole time. So it was the delivery side of it was where it really fell apart.

Sam Carlson: And in fact, my, after we did it for several weeks, we started to get indication and proof that this could actually damage a brand.

Jacob Morris: Yep.

Sam Carlson: Right? So the negative brand equity that could come from the annoying campaigns. It's one thing to run, you know, to like get your frequency out of control on a Facebook campaign.

Jacob Morris: Yeah.

Sam Carlson: Right? That's one thing. But it's another thing to like, do they even have frequency on those? Probably not.

Jacob Morris: Nope.

Dr. Chad W. : Well and, and I don't even think it's necessarily the frequency as much as it is, I think it's, it's-

Sam Carlson: You took me away from candy crush.

Dr. Chad W. : ...no. what, what I was even just going to say is I think as much as people love those games, I think there's an inherent, an inherent understanding that most brands that advertise in those areas are like, eh, not, it's just a sketchy place to

run ads. I think most people think of it that way. It's, it's like it would be like the equivalent of people just know that like the bulk of who advertises during daytime television is like these attorneys firms that are like, did you get injured by your neighbor's lawn mower 10 years ago? We might be able to make you some money.

Sam Carlson: Right.

Jacob Morris: Yeah.

Dr. Chad W. : You know, just people know that or like just different like sketchy, you know, companies, and so it's just like you don't want your brand associated as being the daytime television brand or the, or the app advertising brand. Cause it's the same kind of, it's like, it's like bottom feeder-

Jacob Morris: Yeah.

Sam Carlson: Yeah.

Dr. Chad W. : ...you know? Yeah. You know, chum traffic. Ugh.

Jacob Morris: Yeah, exactly.

Sam Carlson: Yeah. So after spending \$8-\$10,000, whatever it was around there, basically what we found was clicks were near impossible. And even when they weren't clicking, remember we couldn't even pixel them-

Jacob Morris: Yeah, no. The, what was ended up happening was-

Sam Carlson: ...because that was a thought. The thought was okay, well if we can't get their direct data, at least we can, if we get a click we can pixel and then re-market.

Jacob Morris: ...yeah. So what was happening was, again, because they're having to work with these publishers directly at this point to put your ads on. So the redirects that were happening were ridiculous-

Sam Carlson: Very long.

Jacob Morris: ...and so you had these really slow redirects that were taking you away from what you were actually doing. So what's your, your initial instinct is just to be hitting that X the whole time until it finally disappears. So the website was never able to fully load to actually capture any information cause they were moving so quick.

Sam Carlson: Right, and if you're listening, you're wondering what a redirect is. When you click on that ad, it's going to take you to the destination, which website funnel,

whatever it is. If it takes 20 seconds, and that's not an exaggeration. If it takes 20 seconds to get there, nobody is going to sit around for an ad. And that's exactly what we found.

Jacob Morris: Yeah, exactly. And what most people don't realize too is there's actually when click an ad, there's multiple redirects that happen. So you click that ad. So for instance, Facebook and Google, they've got their systems where it's, you know, you don't even realize that there's a couple of steps in between because Facebook and Google are capturing that information so they can report it back to the advertiser, hey, we got to click. Right.

Jacob Morris: So when you click an ad, it's, so you're actually going to a middle website before you actually go to the, the actual destination. And that's where we were dying, was in that middle step. It wasn't flipping to us fast enough before they were hitting that X and getting out of there.

Sam Carlson: Right. So hopefully let's do our takeaways. Okay. When, when people ask me about this, it's really, it's a hard no for me. And here's why. I know that they're coming from a point of view where they have this almost this hope, this anticipation, this dream of hey, I mean this could change every, imagine if we could just get a constant flow of PI, you know, that would be incredible. So understanding that, that is an expectation and not to crush too many dreams out there, it's just not reality.

Jacob Morris: No.

Sam Carlson: Right?

Jacob Morris: No, and it's primarily because one, we had the Cambridge Analytica, so where you wanted your users to be, which is Facebook and Google, you can't get into anymore. So now you have to work with these third party, you know, dealers basically. And then on the other side of it, the technology wasn't built for small guys. The technology was built for your medium and large businesses, your box retailers and things like that to attract people to go back to their stores.

Jacob Morris: I mean, going back to the reason why Google put out beacons in the first place where I would put out a push notification, it's because you're, I'm sure everybody's got a place nearby where they've got a whole collection of stores, right? Either a mall or some sort of, you know, we've got at the village out here, you put the beacon out there and so somebody is walking by, you can get a push notification to get them to come in. I mean that was the concept behind it to get pie campaigns going through it. It just, it's not how the software and the concept behind it was developed for.

Sam Carlson: Right. Well, anything you want to add to that there are Dr. Wallner?

Dr. Chad W. : You know, I'm sure we'll talk about this moving forward and later on, but, but the thing that I would simply say in all of this is it's eerily reminiscent to me of people that I've known entrepreneurs or better yet wantrepreneurs that you and I know and I'm sure you, you know as well.

Dr. Chad W. : Where the saying or the take home or the moral of the story is if you would put as much energy into playing the long game as you do, chasing after all of these different magical home runs, you would have been there by now. You know, so, so you know, the, the obvious one that would come to mind that we talked about is personal injury, right?

Sam Carlson: Right.

Dr. Chad W. : And again, I think, I think if you guys can't crack that nut, no one can. No, you know, no offense to anybody else out there. But I just, I really don't think that's the case.

Dr. Chad W. : You guys have tested it, you've shown that it's just a, that's a, that's a dead end road. And so the, the other option then is why don't you make the commitment to the long haul of saying, you know, for the next 12 months I am just going to create nothing but incredible content, all revolving around how our clinic helps solve that problem better than anybody else. And then you, you geo-target your community with your content and you really, you, you show that you're willing, I mean, think about it in terms of like investing for retirement. Nobody wants, and nobody expects an ROI next year. You know what I mean?

Sam Carlson: Right.

Dr. Chad W. : And yet this is even better cause it's not retirement. It's going to be a lot quicker than that. And so just understand, you know, you don't need to see an ROI your first 30 days, your 60 days, 90 days, you know, just be willing to say, you know, for the next year I'm really just going to pay my dues and do that and then, you know, just go to work and do that.

Sam Carlson: Yeah, that's exactly right. Well look to the link description, the description below. We'll put up a couple of links. In fact, there will be a link to, if you're interested in personal injury, we're going to do a ask the pros episode on that one. So look to the description below and thanks for watching and we'll see you on the next episode.