



Placecast Offers Location-Based Targeting, with a Twist

By [Matthew G. Nelson](#) , February 13, 2008

For the past year and a half, San Francisco-based company 1020 Placecast has been quietly building and operating an ad network that places ads not based on demographics or context, but rather on detailed location information about those consumers. Once the system recognizes that a viewer is using a WiFi hotspot in a hotel in New York, for example, Placecast can then dynamically insert information into the ad deemed pertinent to that consumer. The New York hotel guest would be assumed to be traveling, and could be served travel-related ads. The data can also be paired with contextual information, the company said

"It's treating location as a perishable commodity," said Rich LeFurgy, general partner at Archer, an online advertising advisory company, who is familiar with 1020.

Placecast collects user location information through a number of techniques, including whether they are using a WiFi hotspot, a fixed broadband connection or a mobile device. It then compares that information against the content a consumer is perusing, like maps, local news and weather. Comparing all the information it collects allows Placecast to identify the location of a consumer and infer what they might be interested in based on that location. Whereas the airport or hotel-based user might be shown travel related ads, a residential user in an affluent neighborhood could be served ads for luxury automobiles. At the same time, Placecast is not collecting or using personal information, according to Anne Bezancon, CEO of 1020 Placecast.

"All this is done without any issue of privacy, as we do not need to know who the user is. This is not user-centric, it's place-centric," said Bezancon. "I'm in a particular place at a particular time and usually there are reasons why I'm here and we can infer from that perspective the form of behavior we can target against."

The targeting of a consumer's location is the first part of a two step process, said Bezancon, as it then allows the dynamic insertion of information into pertinent ads. An advertiser can run a national campaign with a central message and image, along with region specific information based on the user's location. A luxury car manufacturer can have each ad's text updated to show the distance of the user from the nearest dealership, for example. The ad can even call on the inventory at a local car dealership and state how many of a particular model, or color, are available.

"We have the technology that can make use of [an advertiser's] media with the place enablement, and the message is to bring you to the doorstep of the dealership that is closest to you," said Bezancon.

1020 Placecast has been operating its network since the summer of 2006 and has approximately 20 customers running campaigns, including Microsoft, FedEx and Amtrak.

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