

Search Marketing Forum

45 million searches a day make hunting out products and services the UK's most popular activity on the web. This means that your customers can come to you - as long as you've make it easy for them to find you. The IAB Search Marketing Forum on 18th June 2004 demystified and demonstrated the benefits of developing a proactive search marketing strategy, with practical presentations focusing on the marketing aspect of search and how to ensure that your business gets noticed and increases profits.

By Andrew Gerrard, IAB Industry Initiative Leader
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**"Search brings
advertisers to
customers at the very
moment of greatest
interest in their
product"**
Danny Meadows-Klue

"The direct marketing industry is in the midst of a profound change as this new, and highly cost-effective platform, emerges," explained IAB Chief Executive Danny Meadows-Klue as he opened the Search Forum. Search is a leading reason why people log on to the web and the search engines are the critical tools in helping us navigate millions of websites to find exactly what we're after in just a few moments.

Search is seen as a powerful online advertising solution and one that is only now being discovered by most marketers. It is cost-effective because advertisers only pay when customers are delivered to their sites. It is targeted because advertisers control their site description and their position in results: hence the flow of traffic to their site. These sites have a very high reach – together, all UK Paid Listings providers reach nearly all UK internet users. There is clearly a great return on investment because Paid Listings deliver customers who want to purchase, leading to a high conversion rate. And with simple online account management any business can take part 24 hours a day, seven days a week.

"This is a new model of direct response advertising," explains Karen Salamon, Marketing Director for Overture's Northern European business. "It's easy to use and there are a range of products and services that have been developed to help anyone profile their website."

During the past five years this industry has developed from a tiny element of the online mix to be on a par with banner-style graphical advertising. It has also developed an extensive range of products to match the needs of marketers. The formats cater to a range of different needs that marketers have. They can help promote a single offer or raise the profile of an entire website.

Search marketing: the new direct response tool

By way of introduction to the forum, Danny Meadows-Klue gave a comprehensive overview of the internet marketplace with specific reference to its phenomenal growth and the online advertising and search markets. In a wide-ranging presentation, Danny drew considerably on the breadth and depth of research, data and case studies available from a good number of sources including, amongst others, Forrester Research, Nielsen//Netratings, NOP World and the IAB's own research. After a further review of the main points of search marketing and 'how to', Danny's conclusions centred around the central theme of the Forum: "Online can deliver true ROI for marketers and it is online search that brings companies and customers together at the moment of greatest interest."

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Influencing purchase behaviour and generating a direct response

Understanding a user's online search and purchase behaviour will enable marketers to realise the true value of search engine marketing, argued Chris Babayode of Ask Jeeves. In sharing a number of insights into how users go about constructing a search until they achieve the results they are looking for, Chris was able to fill a knowledge gap that is common to many marketers who are using SEM for the first time. User satisfaction with their search results is dependent on a number of critical factors: notably the initial 'what am I looking for?' search question, selecting the appropriate search tool and how it works, formulating the right query terms, and the refining process until a satisfactory set of results are returned. Chris also put forward a number of predictions for the future of search: measuring the brand effect of search "will become the norm", new business models will emerge to complement new technologies and products, and users will have a better experience as they become more sophisticated and find it easier to use search engines.



"Measuring the brand effect of search will become the norm"
Chris Babayode, Ask Jeeves



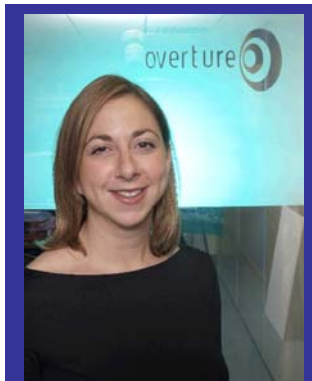
"Paid-for search services have opened up the web to small businesses"
Kate Burns, Google

Simple steps for search success

Kate Burns from Google gave a step-by-step introduction to search engine marketing, explaining how SEM works, how to get started and how to get the most out of it. In a clear illustration of one of the key benefits of online, Kate showed that businesses could reach potential customers at any time of day, no matter where they are in the world, by using SEM. And with a simple 4-step process, it is possible to create a comprehensive campaign that optimises the response for chosen keywords. With a number of key recommendations for the audience, ranging from using the Google keywords suggestion tool, to making sure that you are not generating unwanted responses from similarly spelt, but completely unrelated, keywords to how to setup and manage budgets for a SEM campaign, Kate provided a clean and concise picture of what it takes to put you on the road to search success.

Search marketing: how to maximise your campaign

"With more than 70% of all e-commerce transactions originating from a search query (source: Forrester/IAB), paid-for placement is a rapidly expanding market," said Karen Salamon from Overture. In order to reach all those



"A new model of advertising that's easy to use"
Karen Salamon, Overture

potential customers, marketers need to work with search partners that can place their business right in front of them, and maximising a campaign is critical. To achieve this, Karen reiterated one of the core fundamentals of developing an online campaign – "Test and Optimise". Setting goals, identifying audiences, optimising the customer experience and reviewing campaign performance were all identified as playing important roles to ensure that marketers make the most of their search marketing. Karen also identified a number of key tools to help marketers build their campaigns, including search term suggestion, matching options such as precision, content and geographical targeting, and conversion and tracking monitors. Finally, with an eye on the future, Karen talked about how Overture has launched a mobile directory service, pointing the way forward for the shape of integrated digital search marketing.

A case study of search success: www.easy-loans.co.uk

By focusing on one particular customer's experience, Easy-loans.co.uk, Tim Brown from 24/7 RealMedia was able to tie together all the theory of search engine marketing into a practical case study that showed the audience exactly how much difference a carefully planned and well-executed campaign can make to their ROI. By previously concentrating the majority of their marketing budgets on offline, Easy Loans had failed to take advantage of search and had little confidence in the channel to perform. However, through a carefully planned process of analysis and evaluation of the various channel opportunities, Easy-loans were able to set realistic, measurable and achievable objectives for their activity. They identified the key products that would benefit most from search, as well as the keywords, targeting and placements, and put in place a daily monitoring, optimisation and updating process to ensure everything was working



**"This market has
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**Tim Brown, Managing Director
of 24/7 Real Media**

smoothly. Within 6 weeks they had generated a 2600% increase per week for product applications, achieved a number of core business benchmarks and identified a previously unrecognised opportunity and a major issue – both of which could then be addressed in the appropriate way. As Tim explained, Easy-loans have now acknowledged search as being a key business driver and have increased their spend in the channel by 100% - a clear sign that online can make a significant difference.

The tools of search advertising

What are Paid Listings?

Marketers can buy their listings on search engines. Paid Listings are essentially an online direct marketing tool that enables consumers to find commercial websites more quickly. They describe how advertisers bid on editorially screened keywords relevant to their site. Bids can be manipulated in real-time, buying at higher rates to achieve higher placement on a search results page. The higher the bid, the higher the listing. An advertiser only pays when a user clicks through to a site. Operators such as Overture and Google offer derivatives of this solution and have deals that see their results appear in the search functions of ISPs, portals and search engines such as AOL, Ask Jeeves, Associated New Media, Lycos, MSN and Yahoo!.

What is Paid Inclusion?

There is a slightly different business model for Paid Inclusion: the broad definition is where a media owner pays to have its site included in an index or directory. Some operators guarantee a listing, others do not. At the time of writing, the products and services in this area are changing fast.

What are Keyword Banners and Buttons?

Search queries entered by users generate listings to trigger the opening of a banner ad or button. Individual banners and buttons are served against individual keywords or phrases entered by search users. One or more words typed by a user generate a result page with the advertiser's banner or button.

What are Featured Sites?

Featured Sites are also known as 'Sponsored Sites' or 'Sponsored Matches'. A 'text link' points to relevant results from Featured Site partners when a user's query exactly matches the advertiser's keyword. First search results seen by users appear at the top of the results page: for example, some sites combine hybrid human and technical intelligence to deliver a commercial web search.

Search helps build brands

There is also clear evidence to suggest the brand power of advertising within search. Users get a positive brand experience if an advertiser's site is listed high in the results and is relevant to their search. Rich media, pop-ups, interstitials and banner advertising influence user mindset both at point of click and in the future.

Why should marketers consider search models?

Paid-for search accounts for more than a third of the UK's entire online advertising market. More than 75% of web users rely on search engines to find their way around the web, while 74% of web surfers search for goods and services on the internet. 70% of e-commerce transactions originate from search. Top 5 listings take 25% of all clicks and another 25% of all clicks go to the rest of the listings on Page 1. The average number of pages viewed per user is approx. 1.5 which means that about 50% of all users access page 2. Being higher up the rankings gives better results.

Search helps all parts of the market

Consumers benefit from commercial search.

Consumers like search and they like Paid-for search. It gives them easy access to the websites that supply what it is they're looking for.

Advertisers benefit from Paid Listings

Advertisers generate traffic to a website through a network provided by Paid Listings providers' partner sites (search engines, ISPs and portals). Advertisers select search terms (keywords) relevant to their site/business. Typically, Paid Listings operators screen key words with human editors to ensure relevancy. Advertisers determine where their brand will appear in the search results by 'bidding' an amount of money on relevant keywords. An advertiser's offering is then positioned in front of consumers who want to buy at the moment they are looking.

How do search partner sites benefit?

ISPs, portals and search engines receive a commission from the Paid Listings provider – an important revenue stream. Effective search functions generate repeat visits from consumers and increased 'stickiness' – consumers staying online longer.

Paid-for placements

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"By bidding it's like an auction based system," explains Salamon. "The person who bids the most comes higher up the listings in the results that the user sees. It's only when the customer clicks on the link to the clients' web page that the advertiser is actually charged."

Advertised listings are labelled as being commercial listings on the screens that the viewer sees.

How does it work?

Once you know the audience that you are trying to attract you choose the search terms. You'll need to create a title and description of the search term and target your audience through the right keywords. By paying attention to the keywords you improve the effectiveness of the campaign.

"Inside Overture we have 250 people who act as editors to check that the terms are relevant," says Salamon. "They also look for any advertiser who is trying to place listings that are not relevant. Human editors like these check the search term against the website."

Relative to traditional marketing, there are a number of key areas that make search much more effective:

- The lists of customers that are generated are exactly on target and you only pay for the leads that you get.
- There's a time dynamic that means you can update your content whenever you like.
- From a tracking perspective you can know at any moment exactly how the campaign is performing.
- You can respond to market changes very fast, removing or including bids at a moment's notice and changing the price per bid in real time.

Testing and tracking the campaign is critical. Search becomes so deeply engrained into the client's business that it moves beyond the traditional confines of marketing.

However, search is only part of the equation. Successful campaigns need to be supported by websites that readily convert prospects into customers. The IAB has always seen linking deeply as being the key way forward in helping to achieve this, rather than simply linking to the home page of a website.

The IAB's ten tricks of the trade

Ensure relevant keywords

Relevancy is critically important in making sure advertisers get the right results and drive highly-targeted traffic to a web site.

Write concise and factual titles and descriptions

Maximise potential click through rate and improve the user experience with clear, concise and correct information.

Deep link your listings

Make sure you take users to the relevant section of your website with the product or service they clicked on, rather than to your homepage. Alternatively, it should be immediately obvious to the user where they need to click to find that content from the landing page. If searchers can't easily find the information they're looking for on your site, they are more likely to leave without making a purchase.

Enable the 'back button'

It is essential that your back button is enabled. A disabled back button is frustrating, unnecessary and represents a poor user experience and discourages repeat visits to your site.

List as broad a range of relevant terms as possible

Bid on as many search terms as are relevant to your site, some very generic terms command a high PPC, very specific phrases are less expensive.

Track sales with tracking URLs

Track conversions and monitor which keywords work best. Divert advertising spend to those keywords that prove more lucrative.

Make the most of tools provided

All operators offer suites of tools such as auto bidding, reports, suggestion tools, and newsletters that can help increase ROI.

Delete junk and integrate your campaign

Review creative and keywords at every two months to keep it fresh and to avoid bidding on advertising copy and keywords that are out of date.

Ad hoc and regular opportunities

Monitor the news, and stay abreast of annual and ad hoc calendar events for search trends to bid on to gain new traffic. These could be as simple as Valentines Day, Christmas, Easter or sporting events such as Cup Finals, World Cups, or Derby Day.

Regularly review bidding strategy

You might not be bidding high enough. An overly restricted calculation of ROI might ignore the lifetime value of a customer. Preferably your online marketing campaign is designed to build a customer list that will have some long-term loyalty to your business.

When looking for search partners the reach of their services is key.

How does Paid Inclusion work?

While each operator offers a slightly different business model of Paid Inclusion, the broad definition is where a web publisher pays to have its site included in an index or directory. Some operators guarantee a listing, others do not. Generally, the process involves large volumes of data from the publisher being indexed by the search company.

Paid Inclusion may not be the right format for everyone. The sort of companies for whom it does work are those with a great volume of content or a large number of URLs: e-commerce companies, price comparison tools, media websites and content-rich destinations are all prime candidates for Paid Inclusions.

From the user's perspective in their hunt for information, this model helps them access pages deep in a site.

Users have short queries and want immediate results. However, as marketers we need to understand what the steps are in the process. There's a need for information that is only actually satisfied when people get through to the final documents.

Search marketing: ten tricks of the trade

As part of the IAB's remit to help educate the marketplace about all aspects of online marketing, Danny Meadows-Klue walked delegates through the top ten tricks of the trade for search marketing. His suggestions for the audience were a good mix of basic common sense, such as ensuring the relevancy of search keywords, and, in an echo of previous presentations at the forum, practical advice like making the most of available tools, such as new auto-bidding systems, to help build campaigns. Other tips included tracking response with coded URLs to identify high, and low, performing keywords, deep-linking listings to take users straight from a search query to the relevant content, and maintaining a campaign through a regular review process.

Conference papers

Presentations from the Search Marketing Forum are available from the IAB call centre on 020 7886 8282 / CallCentre@iabuk.net:

- Search marketing: the new direct response tool – Danny Meadows-Klue, Chief Executive, IAB
- Influencing purchase behaviour and generating a direct response - Chris Babayode, Ask Jeeves
- Simple steps for search success - Kate Burns, Google
- Search marketing: how to maximize your campaign - Karen Salamon, Overture
- A case study of search success: www.easy-loans.co.uk - Tim Brown, Real Media
- Search marketing: ten tricks of the trade - Danny Meadows-Klue

Further information

The IAB has also produced a range of guides to help you learn more about how to make the most of internet search marketing. Contact the IAB call centre and ask for:

- IAB Guide to Direct Marketing (magazine)
- IAB Introduction to Powerful Search Engine Marketing (paper)
- Pay For Performance (Search Seminar slides)
- Paid-for Inclusion (Search Seminar slides)
- Delivering branding and direct response (Search Seminar slides)
- Search Tricks of the Trade (Search Seminar slides)
- Maximising returns through search (Search Seminar slides)
- The agency and client perspective (Search Seminar slides)