

# 13 questions marketers ask about search

Search engine marketing can get highly sophisticated and intricate. But many marketers are still grappling with the basics. Here are answers to some of their most common questions.

The search marketing world is populated with experts who dissect and analyze every word and move made by the search engines. It's incredibly dynamic and exciting.

However there are also some fundamental questions that we hear from marketers that we meet every day who really just want to understand some basics. So here's a list of the most common questions we're asked about acquisition search marketing strategies.

## Is it difficult to set up a pay-per-click campaign?

The self-serve models that search engines such as Google, Yahoo and MSN provide are deceptively easy to get going. The result is that there are a lot of marketers running around creating poor search marketing campaigns and spending a lot of money generating poor response. Professional search marketers understand that setting up a campaign takes a lot of research and knowledge and ongoing commitment.

## Why shouldn't I do it myself?

You can. But you need to be prepared to invest in full time staff that has the knowledge and expertise to work on optimizing your search campaigns on a daily basis.

If you just set up a campaign and try to "let it run itself," then be prepared for failure. Even so-called consulting companies that provide a comprehensive set-up are not providing the level of daily commitment that's required to get successful conversions.

## Is Google the only search engine we should try?

No. But in most cases it should be the first.

Google has the most traffic by far and some people say that if you can make it there, you don't necessarily have to make it anywhere else. Truth of the matter is that Yahoo and MSN can generate great response if properly managed.

## How are results measured?

There are a lot of different methods. One of the easiest is the Google Tracking Code.

In that case when people click on your ad, they are served with a cookie that lasts for 30 days. That cookie interacts with a few lines of conversion script that sits on your "thank you" page which is the page that a person sees after they have completed a transaction on your Web site. Other tracking options include in-house analytics and other analytic programs that can either be licensed or in some cases such as Google Analytics are provided for free.

## What is a good response?

A good response is one that makes money. Typically we see conversion rates of between three and seven percent for items that cost less than \$100.

More expensive products or services have a lower cost per conversion. Search also provides a great way to create qualified leads that can be channelled into existing and proven conversion strategies such as phone or email follow-up.

## Why don't we just load up the most commonly searched for phrases online and serve our ads around them?

It doesn't work that way. Inexperienced marketers using Search try to find the most popular keywords whether they are pertinent or not. What they forget is that Search is not about interrupting someone with a sales message.

It's all about providing the most relevant experience possible. If someone is looking for information about a certain product, service, hobby or pastime, then you give them the information they are looking for only if you can offer them something relevant.



# Webscope

with Don Lange

Senior Vice President of the Cornerstone Group of Companies, Toronto

This column was co-written with Nima Asrar Haghighi

## Is search better than direct mail or telemarketing or email?

It's not a matter of better or worse. Search is a sales medium that any marketer that wants to measure response should try. Direct marketers are natural candidates for search because they understand all about testing and measuring.

## How much should we spend?

You should start with a small daily budget and determine when it is running out. If it runs out too quickly, you have one of two problems – either your keywords are too general or you have underestimated the interest in your product or service.

Of course all that matters is the response. If you have an excellent ROI then increase spending.

## How long does it take before you know it's successful?

Sometimes you know almost immediately because you get such great response right away. Other times it takes longer because it may be a longer sales cycle than an impulse type buy. Your search marketing professionals should have analysts that work your campaign every day and they should tell you how you are trending.

## Should we outsource search management to a third party vendor? Why not Google?

Since we're a third-party vendor, I'm going to say yes. The truth is, unless you are willing to invest in experts who are devoted to running your campaigns, then look for a vendor who can be accountable for your cost per acquisition.

As far as outsourcing the management of your campaign to Google (or Yahoo)...well you can. However it is unlikely that you would want Google managing your cam-

paigns on Yahoo or vice versa. So it makes sense to hire a single vendor.

## What is "bid management"?

It is a whole lot of things. Fundamentally it is managing how much you bid on specific keywords to ensure that you are getting a good cost per acquisition (CPA).

## Should we buy bid management software?

Some companies swear by it. Although the experts will tell you that there are issues that can only be addressed by humans including considering factors around the quality of the campaign, looking at competitors, and assessing if keywords are further down a sales cycle.

And finally, probably the most common question we get is:

## Why would a direct marketing company like Cornerstone set up a division for search?

Search is pure-play direct response. Marketers know exactly how much they spend and how much they make.

That type of measurable media is right in the wheelhouse of organizations that understand direct mail, email and database marketing. With the tools to provide a service from acquisition to customer management, marketers should feel confident that direct marketing experts who integrate search marketing experts into the mix offer the best of both worlds. ♦

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## WHY GOOGLE Cont'd from front page

work best to reach your business goal."

So, suddenly, it's the *customers*, voting with their mouse who get to decide what a company's landing page or home page design, layout, copy and offers should be.

## The elusive best

"Time and time again, even the most experienced Web designer doesn't necessarily come up with what performs the best in a test," he says.

And I know this. Working with Tourism BC using Google Web site Optimizer to maximize the advertising budget ROI by optimizing online conversions, we are often surprised to see that the test version we thought would "win" – doesn't.

Optimization means, essentially, finding one landing page design and content among many that work best and then diverting all the Web traffic to the one that is really the champion. The business impact of optimizing versus not optimizing the online conversion rate can be quite significant.

Google's view is that every page on the Web can and should be optimized. Every page is trying to serve some purpose. It may not be selling a widget. It could be generating a lead or subscribing to a newsletter or it could be getting Web visitors to linger on a page for a period of time.

In Tourism BC's case, the goal is to maximize the percentage of Web visitors driven by both online and offline media to request information about vacation travel to the province. Through Google Optimizer a large number of alternatives can readily be deployed to quickly determine what converts the most.

## Single page mistake

In general, customers of AdWords, the pay-per-click advertising program offered by Google, spend a lot of time and resources purchasing a variety of keywords, working on the campaign settings, the word ads, the offers, and the creative. Then they proceed to ignore the wide variety of motivations for the click-through and point all the

fresh, paid-for traffic to just one, single landing page or sometimes even the home page. This is definitely not a smart thing to do as this one page appeals to the lowest common denominator and minimizes conversions.

Google Web site Optimizer is, as Leung puts it, one leg in Google's 'drive-measure-convert' three-legged stool with Google AdWords and Google Analytics being the other two legs.

"Where AdWords is really all about driving traffic to your site, Analytics is all about measuring that traffic and seeing what is going on," he says. "Optimizer is all about converting."

"Marketers spend a lot of money and resources bringing the customers way upstream and dump them on a poorly performing page. Why not convert as many of them as you can? Why do all of this work and then have them land on a poorly performing landing page?"

Why, indeed. Especially when considering that testing and optimization represent the keys to generating greater marketing budgets and more profitability for the company.

While Optimizer was designed to be easy to use by all companies of all sizes, there are some limitations.

"We have designed it so that anyone can pick it up and get a lot of value out of it," says Leung, "But there are some things that I don't know if we will ever be able to completely automate".

## The next level

For example, when companies wish to take Optimizer to the next level, they reach a point when they might need experienced help.

"This is sort of the difference between do-it-yourself home improvement vs. hiring a professional contractor to come in and get the most value out of the project", he says.

When designing what variation to test, Optimizer does not create the actual variations for clients. Optimizer will point out

what companies can test, such as a new headline, a new image, and new bullet points. But it won't write these bullets or come up with the offers. "Consultants will always be the best about this, particularly if they are knowledgeable about the vertical that the client is in," says Leung.

Another example he cites involves getting the most out of Google's free tools. Integrating in-depth advanced analysis, enabled by Google Analytics, with Google Optimizer takes a lot more time and expertise and means more than just glancing at the reports. To accomplish this, a company would need to devote full time internal online marketing teams that think about these issues a lot and do little else. Or, companies can work with experienced consultants, expert in this area, with the benefit of a lot more volume of experiments under their belt.

From a technical viewpoint, even though Google Optimizer makes it easy to copy and paste the code, it does require some set up. Leung says a lot of clients either don't have that ability or don't want to spend the time doing this and prefer end-to-end service, in which case external consultants would be useful.

"The biggest take-away is that the tool is designed for do-it-yourself and internal marketing staff," he says. "But we do acknowledge that there are some scenarios where those users don't have the resources or they just don't want to do it themselves. Consultants play a really important role in those cases."

Testing and optimization is the stuff that direct marketers dream of. And it's available essentially for free.

But, after all, why free?

## The highest level

"At the highest level our view is that making this tool accessible to anyone makes the Web a more efficient and customer-friendly place," says Leung. "That is a great thing."

Google considers itself lucky to have the resources to develop this tool and make it

available to everyone, reliably. Suddenly, optimization is not just for large companies that can afford a tool. It is also available to small companies and non-profits that also want to improve the performance of their Web pages.

According to Leung, the AdWords business is really built on transparency, accountability and return on investment. Therefore, he believes that if Google can provide a tool, even for free, that improves return on investment for companies and allows them to see what is going on with their Web traffic, at the very least, they will be more inclined to consider spending *some* advertising budget – or *more*, if they are already customers -- on AdWords in future.

Google Website Optimizer is free because, according to Leung, everyone wins.

"The advertiser gets a higher ROI and more customers for less money. The users and visitors get a page that is designed for people like them, and has the information that they need to make their purchasing or their conversions decision. And of course Google would benefit from some theoretical increase in advertising spending down the road."

That is levelling the playing field for everyone for free. ♦

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