



Maximize the ROI of Your Search Engine Marketing by Measuring Beyond Click-Through

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Search Engine Marketing has come of age. Americans conduct an estimated 790 million searches per week, according to research from ComScore Media Metrix. Are you getting your fair share of traffic from search engines and directories? Better yet, how much of that traffic is resulting in an increase in revenue or leads for your company? If you don't know, you're currently not alone. The Yankee Group reports that only 20 percent of U.S. companies tracking their search referrals are measuring performance beyond the initial click-through to the web site. However, we expect this trend to change. We have spoken to countless companies who report that Search Engine Marketing (SEM) is now their best online marketing investment. In fact, search engine advertising spend is up 134%, according to a recent report by the Internet Advertising Bureau and PricewaterhouseCoopers; and it is projected to grow to be a \$7 billion market worldwide by 2007, according to Piper Jaffray.

The key to a successful search engine marketing strategy is constant testing, revising and optimizing based on metrics. In order to maximize your return on investment, you must measure the performance beyond click-through—by measuring the complete interaction of your visitors with your site from acquisition to conversion to retention.

SEARCH ENGINE MARKETING IS THE ART AND SCIENCE OF INCREASING A WEB SITE'S VISIBILITY IN SEARCH ENGINES FOR A TARGETED LIST OF KEYWORDS AND PHRASES.

DEFINING SEARCH ENGINE MARKETING

Before we go any further, let's establish a common nomenclature. Search Engine Marketing (SEM), is the art and science of increasing a web site's visibility across the major search properties (both engines and directories) through a combination of paid search advertising and organic search engine optimization methodologies on a targeted list of keywords and phrases relevant to your company, products or services. In other words, it's how well your target audience can find you when searching on the Web. Basically, there are two major categories: paid search and organic search.

Paid search is the act of paying to be listed in the results of specific search phrases (or keywords). Several search engines and directories offer this service as paid advertising or sponsorship options. Examples of paid search include Overture Premium Listings and Google AdWords and Sponsorships.

Organic search, also known as natural or pure search, is the act of being listed in the results of specific search phrases based on the search engine's algorithmic calculations. These listings are the result of having your site optimized for specific keywords based on the criteria of the search engine and having a certain amount of link popularity to your web site. The natural search results are listed in order of relevance and remain the most clicked-on listings on the search results page.

DEFINING SEARCH ENGINE MARKETING

Search engine marketing is less about technology and submissions and more about marketing strategy.

UNLESS YOU OPTIMIZE YOUR PERFORMANCE IN BOTH PAID AND NATURAL SEARCHES, YOU WILL EITHER OVERPAY OR UNDER-PERFORM.

Whenever someone performs a search, there are only two possible outcomes: they will find you, or they will find your competitors. If you are not listed within the first three pages of the search results you won't be found. Thus, targeting keywords and keyword phrases that qualified prospective customers are most likely to query when searching for your goods and services is essential for successful Search Engine Marketing. However, selecting these keywords is not a simple task. It requires a firm understanding of searchers' language, the content of your web site and the searchers' behavior after clicking-through to your site. When do lookers become buyers? What are the best performing keywords for your site? Has performance of a particular keyword ranking changed over time? The answers to these questions lie within your search referral data available from within your WebTrends reports. This data is the most powerful tool you have for determining if you have, in fact, selected keywords that will bring your target audience to your site.

“Search engine marketing today is less about technology and submissions and more about marketing strategy. Unless you optimize your performance in both paid and natural searches, you will either overpay or under-perform.”

— Fredrick Marckini, CEO, iProspect

Search engine marketing is like playing 3-D chess—it is complex and multi-dimensional. To win, the marketer must not only select the right keywords and align them with content that matches the user’s query target, but also select the right search vehicle for each keyword. The marketer must weigh the value of long-term results gained from organic search listings against the short-term returns of paid advertising. In most cases, the right answer is to have a balance of both.

If your search engine marketing strategy consists only of paid search advertising, you could be missing out on significant traffic. When the organic search engine optimization process is completely overlooked, the results aren’t favorable. The top 2 organic listings usually receive more than 50% of the clicks on a search results page, whereas the average click-through for a paid search placement is about 2%. Also, these “free” listings in the organic search results most often produce the highest conversion rate and Return on Investment.

SEARCH ENGINE MARKETING IS AN OPTIMIZATION EXERCISE; AS SOON AS THE RESULTS ARE IN, ONE MUST DO IT ALL OVER AGAIN.

Search engine marketing is highly competitive and constantly changing—search engines refresh their listings, bid rankings change, new paid search options become available. Success in this field requires significant time and resources. Because of all these factors, it is important to ensure that the metrics used for determining success reflect all of the variables.

CASE STUDY

Ford Motor Company and Ford dealers across the country teamed up to create FordDirect.com, a one-stop solution for shopping online for a Ford automobile. In addition to developing awareness for the site, FordDirect’s main objective was to increase its traffic and generate leads for its dealers.

The challenge was that attracting qualified online leads and creating consumer awareness for FordDirect required a significant presence within the major search engines and

directories. However, when FordDirect came to iProspect, the site consisted of a single, dynamic java-enabled page—coding that is often impossible for search engines to index and, therefore, impossible for consumers to find. Without a targeted search engine strategy and the development of search engine-friendly pages for the site, FordDirect would remain virtually invisible to online prospects.

FordDirect looked to iProspect for strategic search engine positioning to support their SEM campaign. The first priority was to tackle the single major technical challenge posed by the site being made up of one dynamic page. We made suggestions and aided in the development of a larger, multi-page static site so that search engines would be able to index each page. At the same time, we concentrated on understanding the search behavior and linguistic patterns used by automotive consumers. Subsequently, we proceeded with a comprehensive search engine positioning campaign, the results of which helped FordDirect not only to increase search referrals by 4,838 percent, but also to exceed its online business objectives:

- More than 73,000 additional visitors per month coming from the major search properties.
- Search engine rankings have increased 940%.

ABOUT THE AUTHOR Fredrick Marckini



Fredrick Marckini is the CEO of the Original™ Search Engine Marketing Firm, iProspect (www.iprospect.com), and recognized as one of the founding fathers of Search Engine Marketing. Marckini is the author of three SEM books, most recently, “Search Engine Positioning”, and is a featured speaker at Internet and marketing conferences nationwide, including @dTech, eMarketing Association, Search Engine Strategies, and Internet World.

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MEASURING SEARCH ENGINE MARKETING

WebTrends Reporting Series has several features and reports to help you measure and improve the effectiveness of your search engine marketing efforts. With WebTrends Search Engine Marketing Analysis, you'll be able to pinpoint exactly which search engines and phrases are paying off. Below are a few examples of the reports available to help you measure conversion and lifetime value. Please note, the examples given below are predefined to an e-commerce scenario, but can easily be customized to other objectives such as lead generation or customer self-service scenarios. Also, with each of these reports you can segment and analyze the results based on "paid", "natural" or "all" activity.

Sales by Most Recent Search Engine (All) Report

Use this report to measure how effective your Search Engine Marketing and optimization strategies are at driving sales conversion, as measured by revenue, average order value and total orders.

Purchase Conversion Funnel by Search Phrase (Paid) Report

Use this report to analyze how conversion correlates to your visitors' searches using search terms you have paid for. Make more intelligent keyword purchases by knowing exactly which paid search phrases perform the best. This report can also be used to evaluate which ad copy and web pages lead to higher conversions. Unique landing pages relevant to each keyword purchase can help reduce drop-off rates on the initial step. Also consider configuring additional business scenarios using Scenario Analysis in Advanced Features, to create new custom reports to measure other conversion sequences (e.g. Online Registration Process).

Retention by Initial Search Engine (Organic) Report

Use this report to analyze how your search engine optimization strategies relate to visitor retention. By reviewing a variety of visitor retention measures for each search phrase used organically (naturally), you can determine which engines and search phrases generate the most valuable and loyal visitors.

FOR MORE INFORMATION

To learn more about Search Engine Marketing, visit the WebTrends Resource Center: www.netiq.com/webtrends/SEM.asp

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