

**Top 5  
Search  
Marketing  
Case Studies  
Best-of Edition**

## **MarketingSherpa's Top 5 Search Marketing Case Studies**

Copyright © 2004 by MarketingSherpa Inc.

All rights reserved. No part of this report may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopying, recording, faxing, emailing, posting online or by any information storage and retrieval system, without written permission from the Publisher.

For information, contact:

**MarketingSherpa Inc.**  
**Customer Service**  
+1 (877) 895-1717 (outside US call 501-767-6600)  
[service@sherpastore.com](mailto:service@sherpastore.com)  
499 Main Street  
Warren, RI 02885USA

To purchase additional individual copies of this report, please visit  
<http://www.sherpastore.com>

Multiple copies of MarketingSherpa Inc. titles may be purchased for business or promotional use or for special sales. For information, please contact:

**Marketing Director Carol Meinhart**  
[CarolM@marketingsherpa.com](mailto:CarolM@marketingsherpa.com)

## Why Didn't You Buy? Survey Helps Search Marketing Clicks, Trials & Conversions Soar

*Neil Greer used to get .5-1.5% clicks on his Google ads. His landing page converted about 5% into trials, of which 1% wound up purchasing his ASP service. Then he surveyed his non-buyers — and a light bulb went off.*

Now his Google ad clicks are as high as 25%, his landing pages convert 15% visitors to trials, and 7% of trials buy. This Case Study details the copywriting, landing page design and newsletter tactics he used that made huge differences in results. Yes, includes useful before-and-after creative samples.

Strong recommendation: If you only have time to read one story this week — make it this one.

CHALLENGE: "We had hit a brick wall," says Neil Greer CEO Impact Engine Inc. "By January 2003, we'd reached the end of internal smarts about who we thought potential customers were."

His 18-month old ASP, which sells presentation technology to executives in mid-large companies, had pretty good sales. But Greer realized that he'd picked the low-hanging fruit — the easiest sales. To grow, he had to make his marketing work a lot harder.

Thing is, his marketing was already close to state-of-the-art for the software business.

Greer had focused his efforts almost entirely on paid search marketing to reach prospects who were actively looking for services like Impact Engine's. He carefully tested keywords, and set up about 10 different landing pages based on best practices in usability. (Link to sample campaign below.)

His offer was soft — visitors could take a 10-day trial without handing over a credit card. Greer hoped the service itself, combined with email newsletters featuring Case Studies of brand name clients, would convert trials into buyers.

In January 2003, Impact Engine's average campaign stats were:

Google ad clicks	.5-1.5%
Click conversion to trials	5%
Trial conversion to buyers	1%

Greer found this intensely frustrating because, "If you're a motivated targeted buyer who found us from search marketing, why didn't you buy?"

CAMPAIGN: Greer's breakthrough idea was fairly simple — why not ask past trials why they didn't convert?

He quickly set up an online survey form for non-buyers (link to sample below). "We set it up as a series of conditional logic flows based on their responses. For example if they said the

reason they didn't buy was price, their next question expanded on that. It's a typical reverse funnel.

"Each recipient saw no more than five questions in all. It was very hard to pick the five. You know the old saying, 'If I had more time I would have made it shorter?' Prospects have such a limited time to give us feedback, I wanted to make sure we got 30 seconds of their most valuable opinions."

After Greer emailed his list of non-buyers a quick note asking them to take the survey, "within 30 minutes we had almost 100 responses back. It was just phenomenal. In the end, the response rate was something like 20%."

The results "radically changed the way I was looking at things."

In the past, Impact Engine's landing page copy was a classic mix of lots of benefits and features with a broad exciting-sounding value proposition. It's the kind of copy you would write for a direct response campaign being sent to a good list to try to get people interested in you.

However, from his survey results, Greer learned that prospects coming in from search engines were very different than prospects you might approach through other channels. They were not interested in all his wonderful benefits and all the glories of his product.

The only thing they wanted to know was, does this product match the precise need I've got to fill right now?

Any other information in his search ad or in his landing page was extraneous and almost annoying to them. He learned, it's not about impressing people with marketing hype, it's about clearly and simply stating how you serve their specific need.

Greer revamped three aspects of his search campaigns to reflect this insight:

Change #1. (Much) more targeted copy for paid search ads

Previously Greer had focused on writing broadly applicable copy, with a strong promise and offer, and placing the same ad across many related search terms.

Now he switched tactics completely. Each search term got its own ad. The ad's headline was usually the search term itself, so seekers could see this matched their needs precisely. The short body-copy focused more on facts than hype. (Link to samples of old and new-version ads below.)

"I think Google has changed the way people think about any marketing — not just search. People now think, 'I wasn't looking for what you are talking about, so I don't care. I'm ignoring you. They have such a limited bandwidth now.'"

Change #2. Expanding from 10 to 100+ landing pages

Although Greer avoided the all-too-common mistake of sending clicks to his home page or a single catchall landing page, he only had about 10 landing pages to serve more than 100 search terms.

So, he got together with his tech team to invent an internal process to create, track and modify new landing pages quickly and easily. Then he launched a new page for almost every single search term he advertised under. These were built using best practices, including:

- o The headline prominently features the particular search term. "The main message has to match exactly what they were looking for. If I'm searching for 'flash presentations' and your main page says 'revolutionize your marketing', I'm gone. You broke your promise to me in your ad that said you were going to help me. And you're not relevant to me."
- o Links to samples and information also feature the search term and terms very close to it.
- o Visitors can respond immediately without clicking anywhere beyond the page if they don't want to — the phone number and a response form are prominently featured.
- o Visitors can see the entire page with almost no scrolling.
- o Copy is fairly short and completely focused on the need that visitor has to fill.

"Instead of talking to them in terms of features and benefits, we talk in terms of what you can use our products for. That's the biggest difference," notes Greer. "Simple is better. The less you show people, the more you get. If you try to over- informationalize people on the landing page, then you're done. We take the opposite approach, we don't put a lot of content there."

### Change #3. Refocusing email newsletter to product-info

If someone had shown us Greer's old email newsletter, we would have said, "Wow, that's great." It was beautifully written and designed. (Link to sample below.) Each issue featured a 'member profile' — a Case Study of how an Impact Engine customer used the technology.

However, after his survey-based insights, Greer trashed the old newsletter format completely and relaunched it as list of new product features. So, instead of fun Case Studies, readers got very specific details on how the product had been improved to serve them better that month.

If the recipient was a non-buyer, they also got a personal name and password to test out the new features for five days.

The new newsletter was far less soft and fuzzy, far more directly to the point. Greer says, "What readers want to know is when we improve products. They don't want extraneous marketing information from us. They are on such information overload. Our newsletters are now notifications."

His example, "I don't want a column from the CEO of QuickBooks, but I do want to know when they come out with a new sorting feature."

After watching the results from the new ads, landing pages, and newsletters carefully for a couple of months, Greer decided to expand his PPC ad investment and test Google's new AdSense system whereby text ads are placed on content sites with articles or other information relating to the subject in question.

He was careful to set up this test in such a way that he could track his clicks, landing page conversions, trial-to-buyer conversions, and average order size, separately from his regular Google ads. (In fact we strongly recommend no marketer test AdSense without having separate metrics in place first.)

Greer tested a variety of broad and narrow search terms, looking to see which would work best, and if he should continue with AdSense at all...

RESULTS: Since switching ads, landing pages and newsletters Impact Engine's average Google AdWords click rate has risen to 2-25% depending on search term; landing page conversions are now at 15%; and trial-to-buyer conversions are at 5-7%.

The words "profound impact" don't even begin to describe a marketing test success of this magnitude. Greer's average CPM is around \$5 and his sales are up 600%. And, again, let us note sales were not that bad before.

Interestingly, unlike many marketers we've spoken to, Greer's also had significant success with his AdSense ads (the ones that show up on content sites rather than search engines.) His click data fits what we'd expect — he tends to get about a quarter of the clicks that he would get for the same term in a search engine.

However, after testing a wide variety of terms he's found many that pull in the same visitor-to-trial and trial-to-buyer conversion rate as traditional Google ads. "Once people drop into the funnel, we get pretty good numbers again."

Here's the kicker — Greer's average sale for a traditional AdWords lead is about \$75/month. His average sale for the content-targeted AdSense leads is \$175 per month because these leads tend to choose more expensive service options.

Why? Greer thinks it's because he's gotten much more targeted with keywords for AdSense in order to make it work. So, his ads are likely to only appear next to highly relevant articles that only a true professional in the field would bother reading. Therefore these execs are more highly qualified than the average lead from a broader term.

Greer advises everyone else using paid search marketing to invest in a non-buyer survey. "If you don't know what you look like to your customers and prospects, you're walking around with blindfolds on, trying to figure things out by trial and error."

He adds, "Our survey has really driven a lot of our success this year."

Useful links relating to this article:

Before & after samples of Greer's search ads, landing pages and newsletters:

<http://www.marketingsherpa.com/ie/ad.html>

SurveyMonkey — the ASP Greer uses to conduct his surveys

<http://www.surveymonkey.com>

Hitbox Enterprise by WebSideStory — the analytics software Greer uses to track campaign results:

<http://www.websidestory.com/>

Greer's home page: <http://www.impactengine.com>

# Proof: Targeting Landing Pages by Keyword Improves Paid Search Conversion Rates Dramatically

*62% of the emailers we surveyed this summer for our annual Metrics Report said the #1 thing they wanted to invest more in for 2004 was creating campaign-specific landing pages.*

If you are fighting for a budget or Web dev resources to be able to make different landing pages on-the-fly, here's more evidence you can use to win the battle. This Case Study reveals the difference between results from a well-done-generic page, and an almost-identical, campaign-specific page.

Show this data to your boss.

**CHALLENGE:** Like many traditional sales-driven organizations, Pronexus Inc's marketing department has generally taken a backseat to the sales department.

The marketing team did what they were asked to do — producing support materials, trade magazine space ads, direct postal mailings, and handling the logistics for trade show booths. Results were fine (the Company's been in business for more than a decade) but not terribly exciting.

When new Marketing Director Chris Biber came on board last year, he was afire with eagerness to challenge old tactics, and show the CEO how cost-efficiently his team could generate leads. It was time for the marketing department to be the rock star.

"I've occasionally been tempted to write something like, 'Marketing on a shoestring,'" he admits. Now was his chance to turn theories into reality.

**CAMPAIGN:** The one tactic neither Pronexus, nor many of its competitors in the computer telephony software world, had tried was reaching prospects by paid search ads and optimization (the science of appearing in regular organic listings for relevant search terms.)

Biber's team started by testing paid ads for "the most obvious keywords" on three engines — Google, Overture and Espotting.com (a paid search service for Europe.) He focused on two tactics to maximize results:

-> Tactic #1 — Testing Landing Pages

From the start, ads linked to a landing page that Biber's IT department built for him.

"What blows my mind is people who spend money on ads and then drive traffic to their home page. What's wrong with this picture? You've done 50% of the work and then you just leave the rest to chance? That's just not going to fly here."

His initial tests used a generic landing page (link to screenshot below) that gave visitors two options — they could view a four- minute Flash presentation or they could register to receive a downloadable software demo file.

(It's worth noting that although Pronexus' Flash demo is great, they resisted the temptation to force visitors to view it. They did not use it as an intro. Instead, the landing page is in static HTML and visitors must click of their own accord to see the Flash.)

Biber hoped that the less qualified leads would surf the Flash presentation, and perhaps be persuaded to convert, while the highest qualified leads would grab the download right away.

He also arranged for the landing page to tie into his CRM system so leads could be tracked according to where they came from and how they behaved.

The landing page was better-designed than many we've seen in the b-to-b space. But Biber wasn't remotely satisfied.

He began testing three different landing page tactics:

a. Targeted-generic pages — these were landing pages that were served to searchers coming from any one of a related group of keywords such as "customer service" and "customer care". The terms were similar enough in nature that Biber hoped a targeted- generic page would work for them.

The copywriting for these pages only focused on points of specific interest to these searchers, even through Pronexus' software has many other benefits and features.

Why? "You only have something like 10 seconds of attention — they want to know they've come to the right spot. If it's not directly relevant to their search, they're leaving again."

b. Targeted by term — these were landing pages that were specifically built to serve searchers who came from a specific search term. Biber put the exact search term in the headline of the page, and again made sure the rest of the copy was very narrowly focused.

His webmaster helped this effort by creating a template in Pronexus' content management system that Biber's team could use to create a new landing page in fewer than 15 minutes whenever they wanted to.

c. Translated pages — Pronexus sells globally, so Biber wanted to see if searchers coming from other countries would prefer a landing page in their own language, even though these businesspeople who would almost certainly know some English, and the download itself is in English.

Biber is a native-German speaker (working in Ottawa), so he tested a German landing page first.

-> Tactic #2: Aggressively Seeking New Search Terms

Once you've got a landing page system that converts as many visitors as possible, and you can measure results, it's time to push for more search terms to advertise under.

Biber quickly discovered finding relevant search terms can be a full-time job. They are often far less obvious than you think. In fact, the words you use to describe your service rarely match the terms the majority of searchers use. Three of Biber's tactics to find more terms were:

a. Asking verbally

Biber had the sales team ask customers and prospects what terms they would use to describe the product, and what they were looking for when they found Pronexus.

He paid particular attention to longer descriptions, because roughly 35% of Net searchers use three or more words in their search. So, a customer who said, "We were looking for something to tie with Visual Basic on an Octel platform" might lead to Biber testing the search term "visual basic" + "Octel" together, though he might never buy the words separately apart because they might be too broad to produce viable results.

b. Checking corporate site search logs

Biber also checked Pronexus site's internal search logs to find out what terms people tried when they found the site.

c. Acquiring an industry portal & checking its logs

When Biber heard an industry enthusiast wanted to sell the home-grown site, The CT Portal at ComputerTelephony.org, he immediately offered to buy it for a low price.

"We said this is an experiment, we didn't go in with preconceived notions. It looked interesting, I looked at my marketing budget and said ok this is what I can afford. I didn't base it on his traffic, because there were no hard conclusions we could reach about its value."

The Portal listed 1,800 companies and products in the field, including hotlinks and white paper PDFs. Biber decided to let every company willing to update their entry stay in the listings on a complimentary basis. Yes, even his direct competitors.

"The point is to say it's really an industry portal. We can only make that claim if we allow competitors to be there. Of course the portal has internal search and when visitors search, we come up first."

Although Biber hoped the portal might send him some traffic, the main potential value was for search term mining. He used the logs of internal site searches to discover new terms he could advertise under at engines.

Plus, because it's a portal with loads of relevant content, the site is ranked quite high in organic (regular, non-paid) search results. So, Biber watched site logs to see which terms search engine-driven visitors had used to find the portal in the first place.

RESULTS: 70% of Pronexus new business sales leads are now coming from the Web instead of traditional marketing. Of the Web-generated leads, 60% are directly attributable to the paid search campaigns.

Targeted landing pages have made a world of difference. A generic landing page was responsible for the campaign's lowest results at .5% conversion-to-download and 12.5% conversion-to-browse rate. (Browsers are people who click on the Flash demo link and other links to learn more about Pronexus, without registering completely for the download.)

The campaign generating the best results Pronexus could report to us featured a highly targeted landing page specifically built for a targeted group of words. That page gets a 7.1% conversion rate and in addition an 18.2% browse rate.

Pronexus could not release results from individually targeted pages to us, but we strongly suspect those will get even higher conversion rates.

The German-language landing pages worked the best for ads using German keywords, however Biber ceased his [espotting.com](http://www.espotting.com) ads. "We have found Google does a much better job covering Europe."

After reviewing logs, Biber learned some people try to cheat the landing page by either giving a false email address or by trying to guess on their own at what the URL for the download might be. He added clear wording in two places explaining that a valid email address is required. He also made sure the download URL is next-to-impossible to guess.

Interestingly, although Biber's team pinged Portal listees multiple times to get fresh entries and white papers to load up, only about 30% of marketers at still-in-business companies have bothered to get back. (Come on guys, this is complimentary advertising.)

Biber's list of keyterms has grown from 15, to 60, to now more than 200. His goal is to create a landing page for each term. "We're still nowhere where we want to be with that. There's work we're continuously doing."

Useful links related to this article:

Samples of some landing pages (note: these are not the specific pages for the % results we reported above, but they are indicative of the type of pages that do and don't work for Pronexus)

<http://www.marketingsherpa.com/px/ad.html>

Pronexus home

<http://www.pronexus.com>

CT Portal

<http://www.computertelephony.org>

# Top 9 Search Marketing Tactics eBags Uses to Drive Online Sales Profitably

*Online retailer eBags is infamous for testing — in fact, they have a test committee that meets weekly to review results and brainstorm new tweaks to raise conversions.*

We asked eBags to reveal what they've learned from heavy search testing in the past year. Example: Ad copy that works in Google is different from copy that works best in Overture...

Online retailer eBags uses search to promote its stock of 8,000 bags and accessories. They're a company known for heavy testing — including Web design and email tweaks — which is how they've grown to be the largest profitable retailer in their category.

So we called up eBag's Director of Business Development Chris Seahorn to find out what they've learned from recent search marketing tests. He revealed nine specific tips:

Tip #1. Use more than cost per acquisition in evaluating keywords and bid values

For every keyword at every PPCSE (pay per click search engine), eBags tracks the clicks, records the SKUs purchased by those visitors (up to 30 days after the initial click) and uses "margin less cost" as a success metric. In other words, they compare the profit margin of the actual purchases driven by an individual keyword with the click costs incurred by that keyword.

Seahorn says most people are tracking in less detail — a mistake — and that evaluations based on, for example, click costs per customer acquisition aren't thorough enough.

He explains, "Compare the cost per acquisition to drive a wallet sale to (the cost for) a piece of luggage. If it's \$25 on a wallet, it's a really expensive ad buy. On a piece of luggage..."

Tip #2. Use tools as much as possible

Seahorn says, "We use tools, we don't use people," adding that automation is the only way to effectively manage thousands of keywords, multiple search engines, and different channels within each search engine.

For their detailed evaluation requirements, for example, eBags use an in-house reporting tool which takes a PPCSE report, matches it with sales information for that keyword's clicks, and then flags those keywords requiring manual bid adjustments.

As a result, all eBags search marketing is managed by one marketer working just half-time on the search buys.

Tip #3. Keep digging for new keywords

Gone are the days when you could easily find undervalued niche terms others wouldn't bother with. Retail competitors are also looking to tie up all the individual model name keywords, as well as the brand and broad-reach terms. So no resting on your keyword laurels.

Already bidding on around 10,000 keywords, eBags are looking to build this out to five times the number. Seahorn's tip — if you're a big enough customer, "...really utilize your account managers to help you out as much as possible."

Seahorn's sent the eBags product datafeed into his big buys and lets them suggest new words and categories.

He notes, "We have 10,000 SKUs in our datafeed and they can give me a list back of their top 50-60,000 recommendations. If you start them all at 10 cents you can use your data tools to work out which are the ones that are working, which aren't."

Tip #4. Find which listing positions work best for you at each SE

Seahorn says changes in the way the leading PPCSEs syndicate or use their paid listings means the differences in clicks generated by each listing position also changes. So you need to keep testing to find the bid/listing combination that gives the best results.

He stresses that some well-accepted assumptions don't always hold true, such as the one that says conversions from listings lower down the results tend to be higher.

Recently, eBags upped the number of keywords at Overture listed in the first three spots (premium listings). They got the expected increase in visitors, raising Overture-driven sales by 90%. More importantly, they also found that conversion rates from the top three positions were around 10% higher than conversions from lower positions.

Tip #5. Match ad copy with the search engine.

With Overture, you control your placement with your bid size. In Google, you can bid lower, but achieve higher placement with a higher CTR. Seahorn saves money by bidding lower in Google and encouraging higher clickthroughs through the ad copy.

"We have to use words like 'free shipping', 'free returns', '110% price guarantee' in the titles of Google AdWords to get the CTR up there. Whereas we'd rather say "shop for backpacks" in Overture."

Why not make Overture ads more enticing anyway, to boost visitor numbers from the same placement?

Seahorn says that more enticing ads means, "...you're sacrificing a little bit more on the conversion rate. On Overture, our frame of mind is almost like we're trying to say, 'don't click on this unless you really want to buy.' We will pay higher CPCs for that, and we'll always secure the number 1 or top 3 placement."

Tip #6. Use smaller PPCSEs too, but be aware of management costs

Seahorn's not effusive about the smaller engines outside of Google and Overture. He says, "If you aggregate them all together they start being a small buy. To be honest we wouldn't do them if we didn't have a tool to manage these relationships."

He notes, though, that bidding costs are "a good 50% less" than at the big two, but conversion rates are lower as well, which he attributes to audience quality.

Tip #7. Find a sensible solution for PPCSE competition from your own affiliates

Seahorn is relatively positive about affiliates bidding on the same keywords as eBags. He explains, "If we have 10 affiliates and we own the top 10 positions and somehow that traffic from the top 10 positions gets to our site, we'd be fine with paying an affiliate commission on it."

However, he does protect his own listings in three ways:

- eBags' affiliates cannot include the words eBags or eBags.com in the visible or display URL of the search ad.
- They must also indicate their affiliate status in the copy of the search ad.
- They cannot link directly to the eBags site from the search ad.

This solution keeps search marketing open to affiliates, but without compromising eBags' own efforts. But do they still get into bidding wars with affiliates?

Seahorn says, "It's not been so much a problem for us. But when it has, we just call them...we don't want to bid their words up, they don't want to bid our words up — we're kind of in this together."

Tip #8. Don't forget natural "organic" search

Seahorn's understandably cagey about the on-site changes they've made to improve natural rankings so that they're on the first page for all their desired keywords, but he does have one tip. Like many retailers, eBags used to write copy in combination with product images. The mistake was to forget about searchers.

He explains, "When you came to our site, we called backpacks, 'packs'...there's an image of a backpack on there and we'd say 'buy this pack at eBags'. Nobody is searching that way on the Internet so you have to say 'backpack' if you want to get that relevancy. A search engine can't read images."

Tip #9. Keep your eye on new developments

Seahorn's stresses the importance of monitoring the new keyword-based inventory channels offered by the likes of Google through, for example, content ads.

He explains, "If we are measuring the keyword as a whole...we're going to become less and less effective with our advertising spend." The solution is to separate out each channel.

He notes that for content ads — compared to the regular search ads — eBags has found "conversion rate is actually significantly lower." As a result, "We pay typically 30-40% less for a contextual ad."

And with more channels likely on their way in search marketing, Seahorn concludes, "You're really going to have to make sure the management tools are in place and that you've got your finger on the lever."

Note: eBags is a member of Shop.org, a forum for retailing online executives to share information, lessons-learned, new perspectives, insights and intelligence. More info at <http://www.shop.org>

# Edmunds.com Tests Paid Search to Drive Traffic: Discover Their Results

*Should a content site pay search engines for traffic? If you're not selling directly online, how do you set a search budget anyway?*

Over the past 18 months Edmunds.com has been testing paid search with Overture and Google. Discover how they set their budget, decided on staffing, tested landing pages, and measured results.

Turns out traffic from SEO, paid search, and direct-to-site visitors is NOT equal in value. More:

CHALLENGE: Edmunds.com, like most content sites, stayed away from paid search because it was almost impossible to justify whether the resulting traffic would be worth the money.

After all, they weren't an eretailer selling directly. They were an information publisher monetizing traffic in a wide variety of ways from generating sales leads for car dealerships and insurance brokers to selling CPM ads to major automotive brands.

Back in 2001-2002, they invested in overall optimization work to have the site show up well in organic listings (those which are not the paid ads.) As a result, Edmunds.com pages showed up just under 10 million times per month in search results pages.

While 10 million may sound like a lot, VP Marketing Seth Berkowitz was increasingly frustrated.

"The way SEO works wasn't conducive to monetization. The critical make/model pages, such as GMC Yukon, where 40-50% of our income comes from didn't rank very well. We weren't even in the top 30 results. For example, if you were searching for information about Honda Accord, SEO dropped you into our article about Honda Accord instead of our pricing funnel."

While fielding sales pitches from account reps from Overture and Google, Berkowitz also learned the total search universe of consumers seeking car-related information online was as much as five or six times the amount of traffic he was getting.

So, there was enormous room to grow if only he could get up paid listings.

CAMPAIGN: Before testing paid search ads, the marketing and site team first invested in a sophisticated site metrics back-end. Reviewing basic Web logs would no longer be enough. They needed to be able to track and value traffic by source in a highly specific manner, including:

- a. Which search term a visitor came from
- b. Cost per click
- c. Dollar value per visitor based on number and types of pages viewed, CPM ad clicks, sales leads generated for site partners, and likelihood of returning to the site in future
- d. Segmented group results for time of day, day of month, overall type of source, overall value

- 14 -

Once the new metrics software was installed and working well, the team carefully moved into paid search tests starting in February 2003.

#### Step #1. Test a few high-value paid search ads

Berkowitz decided to test search the same way he'd test postal mailing lists for a new direct mail campaign. He began at the most potentially valuable selects, and then slowly widened the scope from there to include more and more segments until the campaign hit the edges of profitability.

In this case, he chose the 50 most-valuable Edmunds.com pages — all of which were make/model pricing start pages. Consumers searching for those pages were most likely to be actively researching an intended car purchase, and thus red-hot sales leads for Edmund.com's partners and advertisers.

Berkowitz included common permutations on the 50 make/models, such as typos and search terms. So the resulting campaign ended up being about 1,000 search ads in total, all targeting the 50 pages.

He invested \$70,000 the first month, watched results like a hawk and then carefully expanded and optimized the list of terms over the next 18 months.

To keep costs under control, he gave his search team a specific guideline of what each search term was worth to the site, telling them to try for a cost per click within 10% over or under that price. He also specifically did not require the top ranking (which can often cost more than it's worth.) As long as the site showed up in the top three listings, that was fine.

#### Step #2. Hire experts to run the ongoing campaign

With a rapidly growing number of search terms to manage, Berkowitz knew handling paid search couldn't be anyone's part-time job. He got cost estimates from leading search campaign management firms and also researched salaries for highly qualified in-house staff.

The in-house versus outsourced decision was based strictly on math. Berkowitz says the quotes he received from outsourced firms equaled 10-15% of resulting site income. For the amount of paid search Edmunds.com was planning to do, it would be cheaper to take the project in-house.

This doesn't mean in-house staff were cheap. "We went out and aggressively headhunted for the right people. I wouldn't compromise in this area. It takes time to train someone for this and it's core to our business. You have to be prepared to pay for experience. Unless you can afford to pay for strong staff, outsource it."

#### Step #3. Test landing page variations to maximize income

Aside from testing specific terms, Berkowitz's team also tested varying landing pages to see which site pages would result in more overall income.

Typically, visitors who come to the home page of their own accord move through a fairly predictable path as they navigate the site. First they pick a make/model, then pick the sort of trim they'd like their car to have, and then after reviewing prices, pick a dealer.

The search team tested landing search clicks in a variety of places along that path. Would they prefer to pick their trim and then click to see a price? Would they prefer to see dealer info immediately? Would they prefer more general information?

RESULTS: "It's had a multi-million dollar impact on our business. We probably would have gotten into paid search earlier had we known that," says Berkowitz.

"We now find ourselves in the top three of automotive advertisers online with more than 50 million monthly impressions together on Overture and Google. Paid search does have a ceiling, and it took us about a year to get to full maturity."

The site's monthly paid search budget is now roughly around \$400,000-\$500,000, not including staffing.

More results data:

-> Visitors clearly have a different value to the site depending on how they discover it. "The highest performing bucket is paid search; but the problem is paid search visits are episodic and less likely to return to the site."

Visitors who bookmark the site or type in the URL directly are slightly less valuable on their initial visit, but they are more likely to visit frequently.

The least valuable visitors are produced by SEO. "SEO isn't all that directed; we can't pick the URL we land you in." So according to Berkowitz's estimates visitors who find the site from organic search are only 55-60% as valuable as those who find the site from paid search.

-> Although Edmunds.com's traffic from most search terms is fairly steady, they've discovered value per click can dramatically shift depending on time of year and day of month.

"Traffic doesn't move that much, but quality moves around. The return on investment is completely different depending on what's going on in the automotive marketplace. In May there were very strong incentives, the market responded to that. In June incentives were withdrawn and interest rates went up. People were still looking at cars on our site, but they don't execute the same way."

Also, days at the end of the month, when most dealerships tend to run the heaviest TV advertising promoting specials, tend to result in Edmunds.com traffic that's ready to purchase.

-> Overture & Google are less and less different. "Our experience has been that Overture users performed better and were slightly more qualified, but Overture is slightly more expensive. The gap with Google is closing though."

Berkowitz strongly recommends other publishers use both instead of considering Google versus Overture as an either/or proposition. Otherwise you won't reach the total universe you need to get the traffic you deserve.

-> Berkowitz currently has two full-time staff handling search in-house. He notes that due to the intensely competitive hiring marketplace for experienced staff, he has to worry about his own team being hired away, and is constantly on the lookout for possible replacement hires.

-> Landing page tests showed that consumers want a valuable result from their very first page. So, instead of starting visitors at a quiz page asking what trim they want on their car, Edmunds.com drops them into the results page showing the price for the model using the most popular trim.

From there visitors can either go back up the funnel to choose different trim, or they can go click directly onto a partner or sponsor's link to take action on the vehicle they desire.

-> 15-20% of Google ad traffic for Edmunds.com now comes from the contextual advertising AdSense ads as opposed to search results ads. This is growing.

-> Berkowitz notes overall average costs per click are rising, despite the broader pool of sites carrying search ads. The competition for top search terms is intense and not likely to slow anytime soon.

With this in mind, he's carefully limited bids for more general terms such as "Cars" which can cost a great deal but produce too much unqualified traffic. Instead, his team is aggressive only with niche terms that are proven to result in consumers ready to purchase from partners and sponsors.

Currently the team runs paid ads under 60,000 terms, and growing.

Useful links related to this story:

Overture

<http://www.overture.com>

Omniture — the metrics software Edmunds.com relied on to measure their traffic

<http://www.omniture.com>

Edmunds

<http://www.edmunds.com>

## How to Get Your Press Release Picked up by Google News

*Did you know Google News has 3,400,000 unique users per month? And that for just twenty bucks you can get your press release posted there for people to see for up to 28-days?*

But, you have to optimize your press release correctly and use a particular PR wire service. Our new Case Study has results data and lots of practical advice on this new marketing tactic. Check it out, and then send a copy to your PR firm:

**CHALLENGE:** On an average weekday, 1,600 press releases go out over BusinessWire and PR Newswire, but according to Bennett & Company's 13th Annual Media Survey, just 14% of journalists routinely pay attention to the wire services.

You can email your release to reporters directly of course, but so many PR people do now that the average business or high-tech journalist gets about 300 press releases via email per weekday.

If you're a famous-name company, perhaps you'll stand out enough to be noticed in the email in-box. But, it's very tough.

The good news is, a Middleberg/Ross survey shows 92% of journalists use search engines to research stories. 81% use search engines daily, partially because it gives them more targeted control over the information they find than the deluge of releases hitting them.

Which is great — but what do you do if you've just launched? Search engines can take about 30 days to notice your new Web site (or new site section) and add it to their listings.

SEMPO, a new trade association for the search marketing industry, planned to launch its Web site and an accompanying press release on August 20th this year. Their goal was to get lots of press attention, and hopefully some paying members. But first they had to figure out how to get anyone to notice it.

**CAMPAIGN:** The Association didn't have any full-time staff yet, so first a volunteer marketing committee got together to hash out a press release and get it out the door.

They'd learned from a Nielsen/NetRatings report that as of this July, Google News had 3,400,000 unique users per month.

Unlike the main Google search results which might take up to a month to show links to any press releases posted on SEMPO's site, the News section might show headlines of press releases from wire services, and any resulting stories from more than 4,000 publications, almost immediately.

Although press releases don't show up on Google News home page anymore, they do still appear mixed in with relevant stories in search results of the News section, and also in Google's email alerts service.

Plus, releases included in Google News can have up to a 28-day life-cycle before the system flushes them out to make room for newer content.

So SEMPO volunteers wanted to get their release into the system and maximize its results.

-> Step one: Creating a press release

The press release was a thing of beauty — along with the routine "we've launched" information, it also included data from two different industry studies. Unfortunately, it was also about 1,300 words long.

Most releases run about 400-500 words, and given journalists' severe information overload these days, only the first 50-words or so are generally read.

So, the team decided to chop the release into three different ones, each focused on a particular angle to the story. (Link to all three below.) One was the official launch announcement, the second featured the data from one research study, and the third featured the data from the other research study.

Because SEMPO was brand new, they knew their acronym would not make much of an impact on reporters skimming news. So they also included the brand names of the more famous organizations, behind the research studies cited, in the appropriate headlines.

-> Step two: Optimizing the press releases

Just as with regular Web site pages, you can only optimize a press release targeting Google News for two keyword phrases. (Committee member Greg Jarboe notes, "It's possible to optimize for three, but you're stretching. It's much easier to optimize for one term and maybe one subsidiary term. If you try to optimize for too many terms, it turns the page into mush — it's one size fits all and no one finds it because they're searching for the most appropriate page for one term.") So, having more press releases to optimize worked out beautifully.

The team wrote each press release with a particular search term in mind: one was SEMPO (in case anyone heard about them elsewhere and wanted to look them up), one was search engine marketing, and one was search engine advertising.

They were careful not to overuse the particular targeted search term in the text of the release, because Google might assume a phrase seen more than three-times was "stuffing".

Jarboe explains, "If you use a keyword too much, most search engines will think you're trying to fake them out, and they'll actually penalize you.

"If you're in the 2% range, you're about right. So 2% of a 500- word press release is 10-words. If you've got a three-word search term, you can use it three times. If you've got a two-word search term, you can use it up to five times."

-> Step three: Adding measurability

The team wanted to get a rough estimate of their releases' impact, so instead of putting a general contact on the releases, they used a volunteer's personal email address and cell phone number.

Anyone using this contact information had to have gotten it from the release.

(Note: We strongly recommend this as a Best Practice. Adding new email accounts should be the work of a moment for your IT department. If you can't get a unique phone number for each release, you can certainly have callers ask for a particular made-up name, such as 'Sue Smith' to track things.)

-> Step four: Sending the release out (twice)

One committee member volunteered the use of his Market Wire account to send out the three releases the morning of August 20th. Market Wire's pricing is in line with mainstream services at about three hundred dollars per release.

A week later, on August 28th, the team re-sent the releases again via the PRWeb when PRWeb CEO volunteered to donate the service to prove his twenty-dollar per release offering could also result in Google News postings.

Last, but not least, SEMPO President and Chair Barbara Coll, made sure the releases were posted to the SEMPO site so they'd be picked up by traditional search engine spiders as soon as possible.

RESULTS: On the morning of August 20th, SEMPO's three releases dominated Google News results in the #1, #2, and #3 positions for the search term 'search engine marketing'. Later releases from the PRWeb service also achieved top positions, proving that for this purpose at least, an economy-priced wire service is your best bet.

Just as with regular search marketing, the rankings varied from day to day, and sometimes hour to hour. However, the releases and resulting stories lingered in Google News through mid-late September.

By August 23rd, stories also showed up on Yahoo news, CNN Money, and Lycos Finance increasing the impact.

SEMPO was able to trace about 21% of total revenues for the period, from new members, supporters and sponsors, directly to the three releases. And let's just say total revenues were in the hundreds of thousands.

Three calls came in on the cell phone number used for the release, two of which resulted in revenues and one which resulted in a news story in the Business Journal of Kansas City.

The reporter, who called on September 9th (two weeks after the releases went out) admitted that yes, he'd been searching Google when he found the story and decided to call.

17 emails came in to the email address used for the release, 14 of which were from potential members and two of which were "inappropriate business propositions." Interestingly, many of the potential members who heard about SEMPO through the releases were themselves outside the US.

Turns out Google News is a great way to reach businesspeople in many countries.

The release that ultimately was most successful in terms of news pick-up was the one using the name of "U.S. Bancorp Piper Jaffrey" (whose analysts did one of the studies) in the headline.

Useful links related to this story:

Samples of the releases and screenshots of Google rankings:

<http://www.marketingsherpa.com/sp/ad.html>

SEO-PR, Greg Jarboe's firm which handled this PR optimization campaign:

<http://www.seo-pr.com>

PRWeb

<http://www.prweb.com>

SEMPO

<http://www.sempo.org>

## About MarketingSherpa, Inc.

173,000 marketing, advertising, PR, and publishing professionals read MarketingSherpa every week.

Every day our reporters and editors conduct in-depth interviews with marketing professionals to ask them, "What's really working for you? What's not?" Then we share their tactics, advice and results with you in our newsletters, special reports and on our website. Yes, 100% of the articles you'll see at MarketingSherpa were written exclusively for you from us.

Our name "Sherpa" refers to the Sherpas of Nepal who guide climbers up Mount Everest. We picked it instead of "MarketingGuru" because we're not the stars here — you are. We're just your friendly native guides who help make your tough climb toward marketing greatness a bit easier.

The Economist, Harvard Business School's Working Knowledge Site, Entrepreneur.com, Danny Sullivan's Search Engine Watch, SoftwareCEO, and Sitepoint have all praised MarketingSherpa's publications.

MarketingSherpa Reports are available at [www.sherpastore.com](http://www.sherpastore.com), including:

- Buyers Guide to Broadcast Email Services
- IT Marketing Metrics
- Best Practices in Marketing with Email Newsletters
- Proven Tactics in Selling Subscriptions to Web Sites

MarketingSherpa Newsletters are free for subscription at [www.marketingsherpa.com](http://www.marketingsherpa.com). They include Business-to-Business, EmailSherpa, and Career Climber.

You can also search MarketingSherpa's library of exclusive Case Studies and practical know-how articles on such topics as Web design, landing pages, search marketing, and marketing metrics by topic or by company/brand name at:  
<http://library.marketingsherpa.com/search.cfm>

Contacts:

[Service@sherpastore.com](mailto:Service@sherpastore.com)

(877) 895-1717 (outside the US call 501-767-6600)

Buyer's Guide Nominations form at:

<http://www.marketingsherpa1.com/cgi-bin/pl.pl?ebg04>

MarketingSherpa Inc.  
499 Main Street  
Warren, RI 02885

## More Search Marketing Reports for you



### Buyer's Guide to Web Analytics: Software to measure your Web site & landing pages

Features easy-to-scan comparison charts of 53 Web analytics software offerings from 48 vendors including WebTrends, ClickTracks, Vividence, WebSideStory, Urchin, RedSheriff, Site Meter, and WatchWise. Compare pricing, reports, clients, and service.

<http://sherpastore.com/store/page.cfm/2146>



### Buyers' Guide to Search Engine Optimization Firms: 3rd Edition

121 search engine optimization firms profiled – including handy comparison chart and index by clients. Plus tips on how much to pay, estimating ROI, and avoiding dangerous practices that can hurt your rankings.

<http://sherpastore.com/store/page.cfm/1759>



### How-to Kit: Tweaking Your Site's Copy to Get More Search Engine Traffic

Learn how to tweak your website's current text-copy so that search engines send you more traffic. Includes tips on picking the right keywords to optimize for (most marketers make mistakes at this). Get entire kit – or buy parts separately...

<http://sherpastore.com/store/page.cfm/2113>