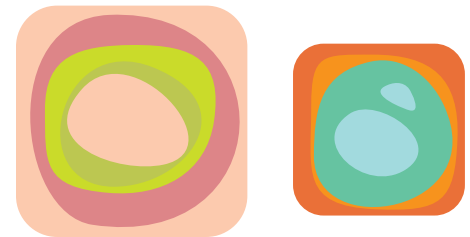




PAID SEARCH: FOLLOW THE MONEY

The Reasons Behind the Growth of
Paid Search And What it Can Do for You



Why the Ever-Increasing Talk About Paid Search?

In just ten years, it's been responsible for building an unknown startup into the fifth largest corporation in America. It was the primary force behind the world's richest man—principal stockholder of the country's third largest company—offering more than \$44 billion for a much smaller, financially-strapped competitor. It has revolutionized the business of advertising worldwide and launched new, highly innovative industries focused on measuring and maximizing its impact. It's Paid Search. And every day it grows in importance... for everyone.



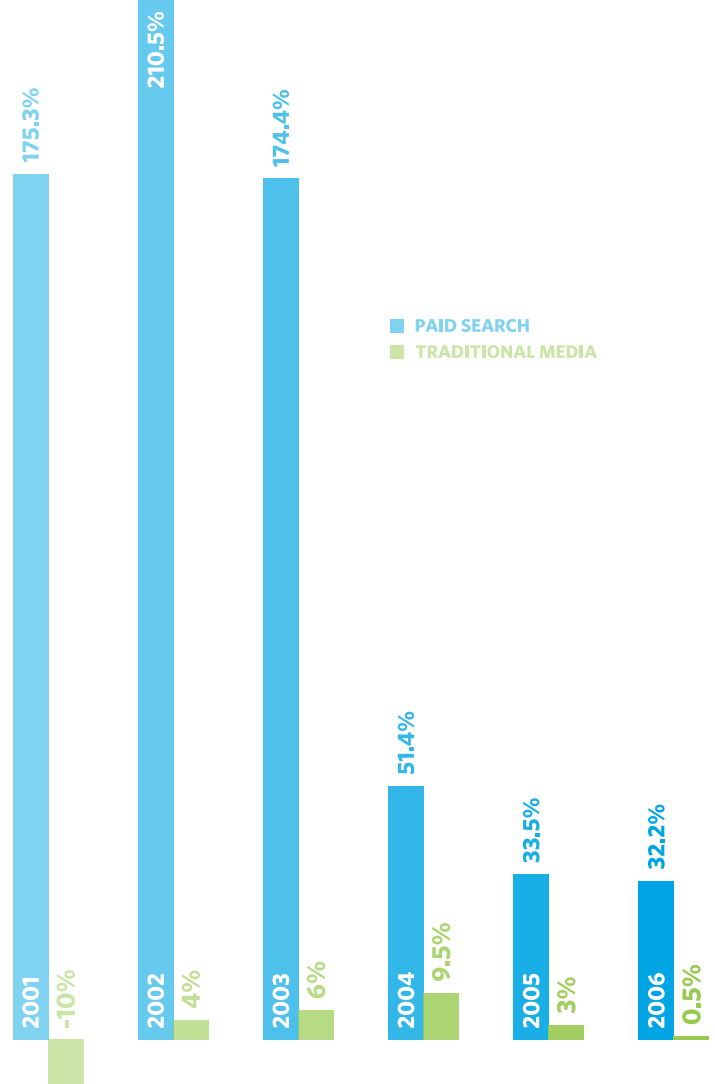
What Do We Mean by Paid Search?

The term Paid Search refers to advertisements placed on search engine results pages (SERPs)—typically text links that appear atop and/or listed on the right side of the SERPs.

Traditionally, these ads consist of a text link to a company's website or landing page and are often referred to as Sponsored Listings or Pay Per Click (PPC) ads. Paid Search ads appear on SERPs based on the search terms used in a query. To determine which keywords will trigger an ad to appear, marketers bid on keywords used to find their website—the higher the bid, the higher the position an ad gets on the page.

Over time, the definition of Paid Search has evolved into an umbrella term that includes other types of online advertisements—not just Sponsored Listings on SERPs. Contextual advertisements, or online advertisements placed on websites based on the content of a site or page rather than search terms, often fall under the umbrella of Paid Search and can include text, images, audio or video. For the purpose of this paper, we are focusing our discussion on the traditional Paid Search advertising model—ads appearing on SERPs.

US Media Spending Growth:
Paid Search vs. Traditional Media
(% CHANGE)



Source: Advertising Age, Dec. 2007; eMarketer, Jan. 2008



Paid Search—Major Advertising Media Placement Trends

A Ford Motor Company \$2.58 Billion

MEDIA	2005 (\$)	2006 (\$)	% CHANGE
BtoB Magazines	6,765	5,109	-24.5
Newspaper	112,173	80,740	-33.9
Network TV	461,709	524,052	13.5
Internet	55,019	99,064	80.1

B Berkshire Hathaway \$1.09 Billion

MEDIA	2005 (\$)	2006 (\$)	% CHANGE
Magazines	56,183	45,799	-18.5
Network TV	56,775	65,109	14.7
Outdoor	17,671	21,031	19
Internet	2,210	13,910	529.4

C Macy's \$1.36 Billion

MEDIA	2005 (\$)	2006 (\$)	% CHANGE
Spot TV	178,550	77,966	-56.3
Local Magazines	2,458	2,823	14.8
Newspaper	738,866	657,014	-11.1
Internet	1,144	4,525	295.6

D Kraft Foods \$1.42 Billion

MEDIA	2005 (\$)	2006 (\$)	% CHANGE
Magazines	474,760	418,322	-11.9
FSI	50,724	38,469	-24.2
Syndicated TV	26,963	18,923	-29.8
Internet	12,133	22,889	88.7

Source: Advertising Age, Dec. 2007

The Numbers Tell the Tale.

As the chart to the right illustrates, Paid Search has been a rapidly growing segment of online advertising, with nearly half of total online ad spending now devoted to Paid Search advertising.

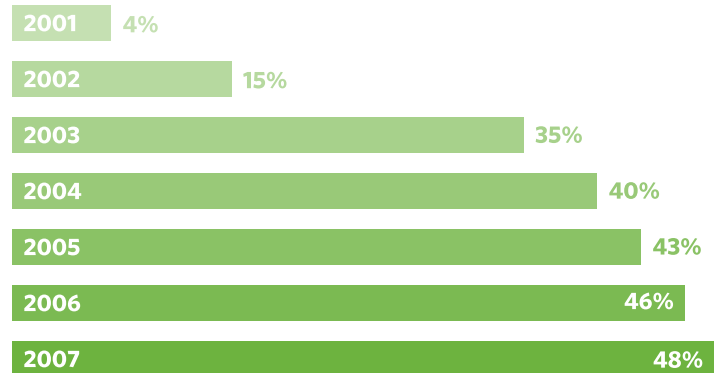
Online advertising spending in the US has seen double digit yearly growth since 2002 ¹ and with that, online advertising's share of marketing budgets has grown among major advertisers and so has the dollar amount allocated to it. At the same time, the relative investment in most traditional advertising vehicles—network television, radio, newspapers and business magazines—continues to drop.

These trends have not gone unnoticed by the media. Network television now shares content online—often free—for the opportunity to maintain branding and open new avenues for ad revenue. Radio and newspapers have reached an understanding with Google to sell excess ad inventory. Google then resells the space and offers creative assistance by certifying approved production sources. (FYI—Oneupweb is a Google-approved radio production source.)

Newspapers and business magazines have shown some of the best results by addressing declining subscriptions through the creation of online versions of their publications. While print ad revenues have, with few exceptions, shown a steady decline, paid online advertising revenues for the publications are rising. In many cases, this has been the one bright spot for an otherwise beleaguered medium.

As might be expected, the largest US advertisers have been among the first to make the shift from offline to online advertising. On the previous page, we have included four prominent examples representing distinct market segments. The trends are the same—an increased share to the online segment, less for traditional media.

US Paid Search Advertising Spending, 2001-2007 (% OF TOTAL ONLINE ADVERTISING SPENDING)



Source: eMarketer, Mar. 2006



¹ "US Online Advertising Spending Grown, 2000-2010," eMarketer, Oct. 2007

[Furniture Sale at MACY'S](#)

www.macys.com 0 Down & 0 Interest for 3 or 6 Mos. at Out Semi-Annual Home Sale Now!

[Contemporary Furniture](#)

www.modernlinefurniture.com Modern Leather Sofas, Bedrooms Designer Furniture On Sale Today.

Above is an example of a Paid Search ad appearing on a Google search results page (SERP).

What's Behind the Numbers?

The reasons why marketers prefer the online Paid Search formats can be divided into two distinct categories: 1) the growth and increased use of the internet, and 2) the inherent advantages of Paid Search marketing.

The Growing Online Audience

A June 2007 study conducted by Leichtman Research Group found: ²

- » Nearly three-quarters of US households subscribe to an internet service.
- » More than 70% of these households have broadband service.
- » 92% of households with annual incomes over \$75,000 are internet subscribers.
- » Broadband subscriptions grew by 12% from 2006-2007.

According to Internet World Stats, what this audience equates to is: ³

- » 1.3 billion internet users worldwide.
- » More than 238 million internet subscribers in North America.
- » 120% increase in North American subscribers from 2000-2007.
- » Worldwide growth of more than 265% during that same period.

² "Over Half of U.S. Households Subscribe to Broadband Internet," Leichtman Research Group, June 2007

³ "comScore Releases 2007 U.S. Search Internet Year in Review," Comscore.com, Jan. 2007

As far as actual searches online, comScore reported that in December 2007 on the major search engines: ⁴

- » Americans searched 9.6 billion times.
- » The number of queries increased 15% from the same month the previous year.
- » And 113 billion searches were conducted during 2007 overall.

Paid Search Has Been Recession-Proof

As the chart below indicates, during the last major economic downturn which began in September of 2001, traditional ad spending fell 10 percent in the overall US ad market according to AdAge. Paid Search advertising grew more than 175 percent that year. And in 2002 as the economy made a slow but steady recovery, traditional ad spending rose a modest 4 percent while Paid Search grew an additional 210 percent.

US Paid Search Advertising Spending Growth, 2001-2007
(% CHANGE)

2001	175.3%
2002	210.5%
2003	174.3%
2004	51.4%
2005	33.5%
2006	32.2%
2007	26.8%

Source: eMarketer, Jan. 2008

US Traditional Media Advertising Spending Growth, 2001-2007
(% CHANGE)

2001	-10%
2002	4%
2003	6%
2004	9.5%
2005	3%
2006	.5%
2007	NA

Source: Advertising Age, Dec. 2007

⁴ "Ad Spending Growth," AdAge Annual 2008, Dec. 2007

Comparing the Major PPC Outlets

Google: The 500 lb. Gorilla

With over three-quarters of the global search market, Google places more PPC ads than all other search engines combined. The company continues to add services and technologies to capture more of the rapidly rising online ad market.

Market Share: 65.98% *
Ad Network: AdWords
Website: www.google.com/intl/en/ads/

Yahoo!: Stuck in the Crosshairs

Search marketing is just one of many services provided by Yahoo!, which was founded in 1994 and now boasts one of the most visited websites on the internet. Although it had a relatively small PPC ad share, according to comScore, in November of 2007 Yahoo! was the top ranked online display ad publisher accounting for nearly 19 percent of all internet display ads. ** The broad reach, established customer base, diversified services and relative financial instability of Yahoo! has led to a buyout bid by Microsoft in 2008.

Market Share: 20.94% *
Ad Network: Yahoo! Search Marketing
Website: smallbusiness.yahoo.com

Microsoft (Microsoft Live Search): Searching for Market Share

Even with their Windows operating system installed in nearly 92 percent of all personal computers, *** searches on Microsoft's Live Search have failed to make a major dent in Google's dominance. They have successfully expanded into the social marketing sphere by partnering with Facebook, but Microsoft continues to add market share through acquisitions to help them acquire search advertising revenue.

Market Share: 5.16% *
Ad Network: Microsoft AdCenter
Website: adcenter.microsoft.com

Ask: Innovation Has Some Looking Twice

Ask became popular in the late nineties as "Ask Jeeves" with a search protocol that responded to questions rather than simple keywords. In 2007, the company simplified their name to "Ask" and introduced a greatly streamlined site layout that incorporated some new search features including preview looks at search results. The company has also been a pioneer in incorporating images, video and press releases into search engine results pages (SERPs).

Market Share: 1.42% *
Ad Network: Ask Sponsored Listings
Website: sponsoredlistings.ask.com

Others:

There are several smaller and/or formerly popular search engines who provide ads. These may appeal to a specific market segment and offer a lower cost, gross investment for some advertisers. The list includes AOL (America Online), the one-time leader in internet service providers that has seen its subscriber base decrease dramatically. Google now owns a 5 percent stake in AOL and the two cooperate in some online advertising ventures. Others who sell advertising are:

MIVA, Looksmart, Enhance Interactive, Kanoodle, Search123.com, SearchFeed.com and more...



Source: * Hitwise, Jan. 2008

** "Yahoo! Sites Ranks as Top Publisher with 19 Percent Share of Online Display Ads," comScore, Feb. 2008

*** Greg Keizer "Mac Market Share Breaks 8% Mark in 2007's Final Days," Computerworld.com, Jan. 2008

The Advantages of Paid Search.

Within this expanding online universe, Paid Search—by its very nature—offers inherent advantages over any other form of advertising that preceded it. Because it's much more measurable than traditional media, PPC advertising is assessed and refined more easily. Ads are created faster and more inexpensively and can respond to changing market conditions more quickly. The measurable results include the following:

Improved lead generation » Paid Search ads increase both the number and quality of leads. In just about any medium, frequency is a traffic builder. Because of its relative low cost per placement, a Paid Search ad can deliver more impressions per dollar spent. But it's the quality of those impressions that generates the leads. By targeting the ad to the audience's expressed interest through keywords or contextual placement, and timing that placement when a customer is most apt to engage, Paid Search delivers more cost-effective leads.

Higher customer traffic » Oneupweb clients document the point with regularity—a good Paid Search campaign can and will deliver more traffic to a website. For example, an established online clothing retailer saw a 22 percent rise in traffic from Natural Search and 39 percent from Paid Search during the same 12 month period. Another business franchise company saw website traffic from Paid Search improve 283 percent in just three months, while unique visitors attributable to Natural Search grew 265 percent during that same period. Each client's experience is different, but, with very few exceptions, customer traffic rises dramatically.

Increased conversion rates » To quote Henry David Thoreau, *"It is not enough to be busy. So are the ants. The question is: What are we busy about?"* The same can be said of site traffic. It's what that traffic does when it gets to a website that's most important. A good Paid Search program that leads to a well-functioning website creates more conversions. A leading international provider of rental power and temperature control systems, and Oneupweb client, experienced an 87 percent increase in conversions over a 10-month period. The company traced a healthy rise in new business revenue directly to these new conversions.

Greater suggested sales » Sales improvements are like success, it has many fathers while failure is an orphan. Online conversions are an excellent predictor of sales and as we've seen, Paid Search leads to greater conversions. The franchise business cited above saw conversions grow 845 percent while sales rose more than 3,600 percent during those same three months. A good analytics package will help you connect these dots, but this is just the beginning. Online promotions often stimulate offline sales and vice-versa. And many of these suggested sales go uncounted.

Better Cost Per Acquisition (CPA) ratios » Paid Search is a recognized equalizer, making a small budget go farther thanks to the targeted nature of the ads and their relative low cost versus the number of impressions, amount of traffic and conversions delivered. An online clothing e-tail client of Oneupweb was able to reduce their Cost Per Acquisition (CPA) by two-thirds after just one month of implementing an integrated natural and Paid Search program. Such results are not uncommon.

Improved brand recognition » By delivering more impressions with a brand-consistent message and graphic treatment, a company can enhance their overall image and brand awareness. An established children's publisher asked Oneupweb to act as steward of their brand during a time of increased competition, while assisting them in the launch of a new publication. Their goal was to increase sales through Paid Search. After four months of carefully branded search campaigns, the client experienced an increase in online sales of 750 percent.

Instant advertising deployment, tracking and flexibility » Paid Search ads can be tracked to provide marketers with detailed information about how a paid campaign is performing and where adjustments need to be made. And, text, creative and placement can all be adjusted in a matter of hours—not days or weeks—providing the necessary maneuverability to maximize ROI.

The Importance of Paid Search to an Integrated Marketing Plan.

Accountability, flexibility, cost-efficiency—these are the watchwords of today's complex marketing planning process. They also explain the remarkable growth of Paid Search; for accountability, flexibility and cost-efficiency are the major attributes of paid online advertising. Here's what we mean:

Measurable results with proven tracking analytics »

Measuring the impact and ROI of traditional media has always been less than a science. The standard Cost Per Thousand (CPM) method of comparing and buying media told marketers very little about what the consumers did after seeing or hearing an ad. Coupons, 800 numbers and various promotional incentives afforded a limited degree of tracking. But such incentives weren't appropriate to all products or industries. ("Free steak knives to the first 500 callers" won't sell many enterprise computer infrastructure management systems.)

A click on a Paid Search ad is a recorded digital event that can, through various methods and metrics, be tracked, analyzed and compared to benchmarks and goals. A robust conversion analytics tool such as Oneupweb's proprietary ROI trax[®] helps marketers quantify their goals, see what's working and where, while looking at trends and the competitive landscape. As the name implies, the advertisers can see at a glance what the return has been on their investment and what factors are affecting these figures. Try that with a 30-second television ad or full page in the *Wall Street Journal*.

New competitive opportunities » Paid Search allows marketers to buy their way onto the first search engine results page (SERP) for selected keywords with which potential customers might be searching. The result, according to research based on Oneupweb clients, is a likely increase in site traffic per keyword of more than 500 percent after two months, and an increased conversion rate of more than 190 percent. In other words, it levels the playing field with competitors whose sites have established better natural search positions on the search engines.

New creative opportunities » Since the advent of Universal Search from Google in 2007 and similar changes from other major search engines, consumers are seeing some very different looking results pages. The SERPs might include images, videos, press stories and maps. This provides additional challenges for text ads to be noticed, and in some markets has caused a shift to site-specific image and video display ads. On the other hand, these enhanced results pages have lowered the natural search positions for some well-established websites allowing some Paid Search ads to be seen more prominently on the page. Google and others are introducing a new generation of PPC ads consisting of more than text, incorporating a variety of media. In the meantime, text ads can offer links to rich media content on landing pages, websites and social media networks.

Reaching a more targeted audience » Utilizing the tools and opportunities of Paid Search provides marketers with a superior ability to reach a more targeted audience. To reach the right consumers, geo-targeting and contextual advertising offer marketers a chance to narrowly define who they want to reach. Geo-targeting—such as a Midwest ski resort advertising on SERPs related only to Midwest winter travel—makes it possible for marketers to deliver paid ads based on location. The message reaches an audience that is able to respond—no resources wasted talking to the masses to reach the few. Placing contextual ads involves getting to know the interests, demographics and needs of your target audience and using that information to place ads where your consumer will see them—and provide the right message at the right time. A financial services company may want their ad to appear on financial news sites on weekdays and on real estate information sites on weekends, for example. Finally, by carefully selecting, testing and regularly refining strategies, marketers can assure that paid ads and contextual ads are reaching the most targeted group and as efficiently as possible.

A cost-effective entry into new markets » Expanding into new markets, especially during difficult economic times, is a particularly effective way to stay competitive. For small and midsize businesses, this type of expansion is critical. As you can see in the chart at right, the recession in 2001 saw an increased number of small and midsize businesses first utilizing paid search ads—likely taking advantage of the benefit of broader exposure and a more cost effective method of advertising. From 2001 to 2002, the number of search advertisers with under 500 employees who first used Paid Search doubled—despite being in the midst of recovering from a recession.

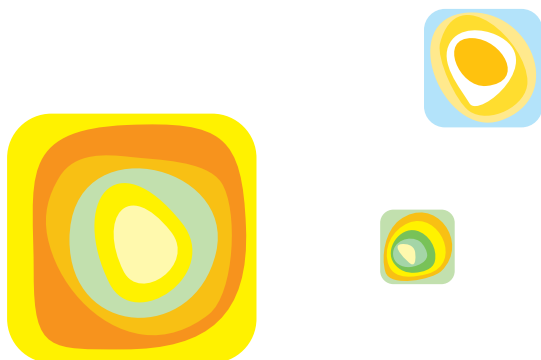
More media flexibility » When something isn't working, why not fix it? With most traditional media, once an ad is printed, aired or otherwise published, there's little to be done except watch how things play out. With Paid Search, keywords, creative and copy can all be adjusted quickly before and during a campaign, if necessary. And, Paid Search can be an effective asset when coordinating traditional media strategies. Test promotional offers, ad copy or creative in PPC ads, then translate the most successful into a traditional advertising campaign.

More bang for your marketing buck » Highly targeted with potentially greater reach, easy to execute, flexible and adaptable, cost-effective and measurable—what else can marketers expect from Paid Search Results?

Year that Search Engine Advertisers Worldwide First Engaged in Paid Placement Search Advertising, by Business Size, December 2006 (% OF RESPONDENTS)

	<500 EMPLOYEES	500+ EMPLOYEES	TOTAL
2006	22%	5%	17%
2005	26%	27%	27%
2004	14%	23%	16%
2003	8%	16%	10%
2002	14%	7%	12%
2001	7%	9%	7%
2000	4%	11%	6%
1999	3%	0%	2%
1998 or earlier	3%	0%	3%

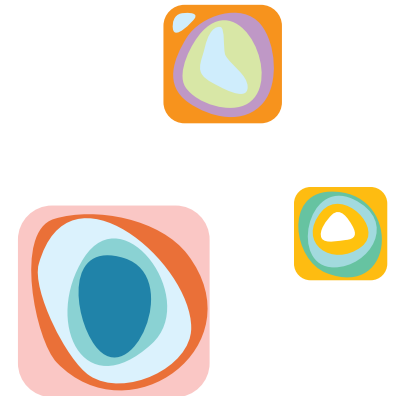
Source: SEMPO, Feb. 2007.



Integrating Natural & Paid Search— Some Examples.

In most cases, natural and Paid Search campaigns perform better together than they do separately.

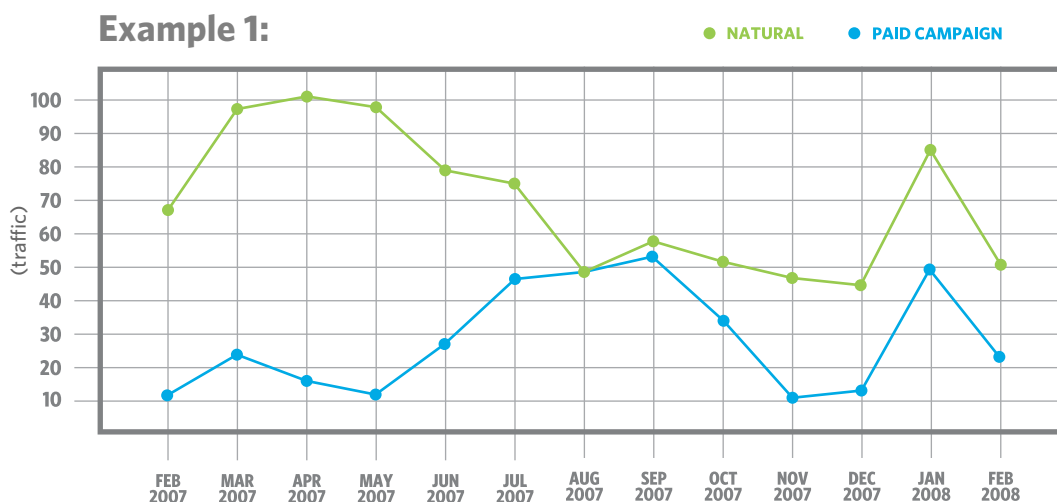
Greater awareness of a website created by a paid ad can lead to more natural traffic. In similar fashion, people are logically more likely to click on a paid promotional ad of marketers they recognize, such as those they've encountered during a natural search.



Example 1: *

Using Paid Search to Improve Seasonal Traffic Downturns

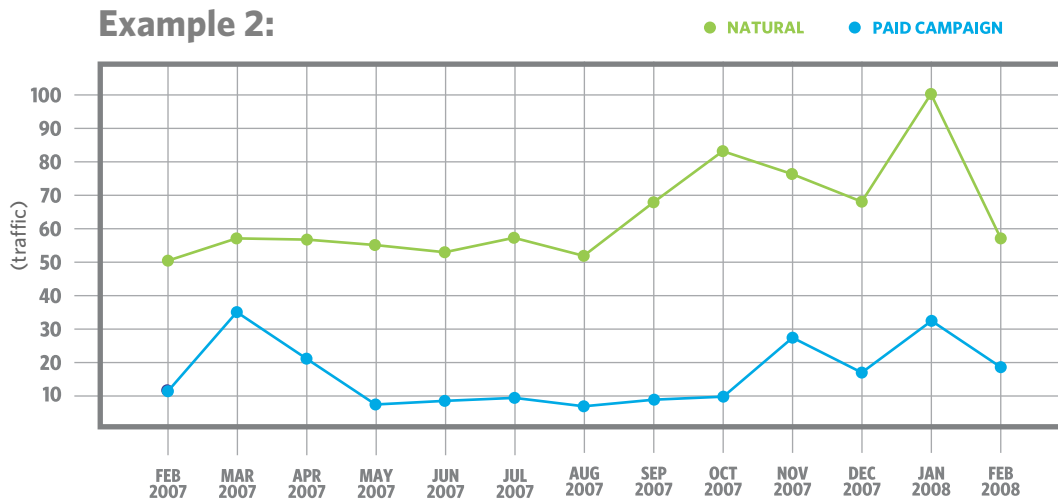
Example 1 is a well-established name in the relatively large-ticket, seasonal building product category. Demand for the company's products increases each year as the outdoor building season begins and as days get longer. As the chart shows, natural traffic rises in the spring as homeowners and builders begin the planning process and it falls off by mid summer, when construction is underway. In this example you can see how, when 2007 natural traffic began falling from its spring highs, an aggressive Paid Search promotional campaign began adding traffic. By late summer, natural and paid traffic were nearly identical. In the last part of the year paid and natural promotions fell off proportionally, reflecting cyclical seasonal demand. What this illustrates is how a well-integrated natural and Paid Search campaign was able to extend the buying season by months, cushioning the effect of a seasonal slump.



Example 2: *

Integrating Search to Improve Traffic When Buyers Are Looking

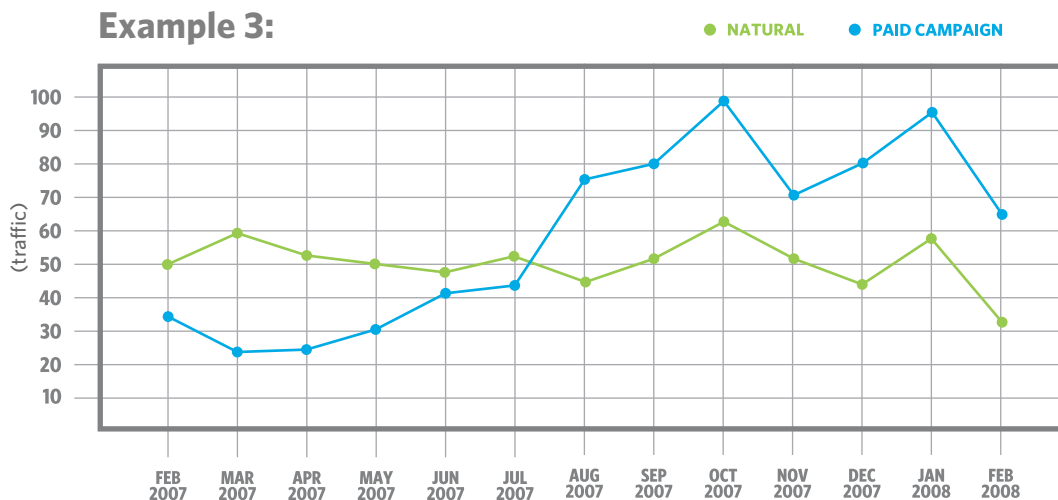
Example 2 is an academic institution offering undergraduate and graduate degrees in a specialized medical field. At the end of a semester as potential students begin looking at their options for the following year of study, website traffic naturally increases. Through well-integrated natural and Paid Search campaigns, the client was able to improve their numbers for both natural and paid unique visitors during peak months, while raising overall awareness of the school.



Example 3: *

Adding Paid Search to Reach New Heights

Over recent years, Example 3 has used an effective natural search engine optimization program created by Oneupweb to increase name recognition and site traffic for their healthcare organization. As illustrated here, while natural search performance has remained consistently high, Paid Search can still dramatically impact site traffic, leading to greater conversions. It's a clear example of how natural and Paid Search can complement each other to reach larger, interested audiences.



The Case for Buying Branded Keywords

The thinking against buying your own name is this: if you're already well-positioned on the natural results pages, people will find you. It's a waste

of precious ad dollars. Also, some companies may not have a name that attracts blind queries. "Jean's Car Repair" might not want to pay to position on the "casual fashions" pages to reach everyone who searches for "jeans." If searchers know the company name, chances are they know the official company URL and go directly to the website.

Oneupweb client data does not support this contention. In fact, they make a strong case for any online marketer to buy their own branded keywords.

A Case in Point

Client A is a leading distributor of industrial supplies for commercial, industrial and institutional businesses. They represent a broad offering of storage products, material handling equipment, maintenance and janitorial supplies, warehouse and dock equipment, packaging and shipping supplies, industrial safety supplies, shop equipment, office and school furniture.

The following chart shows performance results for paid Google searches for various brand and non-brand specific keyword terms for Client A.

Optimize	Clicks	Conversions	Sales	ROI
Paid (Branded)	18,283	1,297	\$639,055	30,361%
Paid (Non-branded)	93,889	376	\$142,730	140%
Combined	112,172	1,673	\$781,785	751%

The return on paid, non-branded searches is usually understated, because they generate a great deal of traffic which may equate to future branded queries and conversions for which they are not credited. Due to the relatively large investment in these more numerous and generic terms, however, the return is almost always lower, in this case a respectable \$1.40 for every dollar invested. However, these results pale in comparison to paid branded searches, which in our example returned \$304 for every ad dollar spent. By

combining the two you not only ensure a good ROI, but generate traffic leading to future branded and non-branded conversions.

It may well be argued that a potential customer searching by name is much farther in the purchasing process; they've done their research and know the name of the supplier. This would skew the number of branded conversions and the resulting ROI. Perhaps. But, what happens if those willing buyers cannot find the brand they are searching for and a competitor's ad is accessible? This scenario is doubly dangerous, because it not only loses a potential sale, it hands one to a competitor who has purchased your branded keywords. You lose a sale and market share.

Buying Your Brand Makes Sense

- » **Defend your brand** and the sales your brand reputation generates. It is not unusual for aggressive marketers to purchase PPC ads on a competitor's brand name. Some go as far as disguising landing pages to appear similar to your homepage. A paid top ad position protects against these tactics.
- » **Make sure you're seen.** With the advent of Universal Search, natural positions can vary by the hour. Furthermore, some search engines make it difficult to determine where paid ads end and natural search results begin. Paying for positions gives you more control over what appears on the SERPs.
- » **Consider the ROI.** As the above example illustrates, branded paid search generated more conversions and has a much better ROI than non-branded search.
- » **It's not "either-or."** To maximize opportunities to be found and sell online, marketers need to combine natural, branded and unbranded paid search and integrate them with their other on- and offline activities.

The Essentials of Integration.

Integrating online initiatives into your overall marketing plan will help you increase ROI and pull ahead of competitors. Specifically:

- » It builds your brand by creating a unified image in the mind of your audience.
- » Messages on- and offline reinforce each other, and are more memorable.
- » The cumulative effect increases the likelihood of a conversion.
- » Vital marketing dollars are maximized through a well-woven plan.

So how do you go about integrating your natural search presence and Paid Search into an effective marketing plan? Here are a few things to consider:

Use consistent strategies, themes and graphics » Your marketing strategies should logically evolve from your goals; your campaign themes need to work together and, when necessary, effectively stand alone. Each component should share common graphic elements rendering a strong family resemblance recognizable wherever it appears. If your name or logo was missing from a particular creative element, would someone be able to recognize it as belonging to you? They should. Establish graphic and copy standards:

- » Have consistent logo usage and placement.
- » Choose coordinated color and type size in headlines, body copy and signatures.
- » Follow a prescribed style and use of photography and artwork.
- » Develop templates for each category of your marketing campaign.
- » Standardize your use of key copy terms.

Establish a consistent message » Corporately, this message should already exist as part of your company's branding strategy. Are you "the fast, affordable source," or "the resource for customized work?" Each new campaign can have its own message. You could have a campaign touting various client examples of how fast and affordable you are; another campaign might outline reasons why fast and affordable is important. Build one offer on the next, and cross-promote each by repeating messages and promotions that have proven effective.

Use similar keywords » Your website should include keyword-rich copy for which you've optimized. Create and test new keyword phrases being used by your customers. Wherever practical (i.e. the costs for these terms are not too excessive), use those same keywords for your Paid Search campaigns.



Create a complementary media mix » Your public relations' efforts and website content should support your ads, announcing new products before the ad campaign breaks. Catalog promotions should dovetail with your PPC offers. Even customer service email campaigns can support advertising messages by touting new product lines or services.

Make sure your media fits » Your media mix should reflect your marketing strategy and be appropriate to what you are selling, your target audience and sales season. During the holiday gifting season, for example, it may be appropriate to sell computer games on some sites of interest to adults forty and older; however, there would be considerable waste during the rest of the year when teens and younger adults are more likely to do the buying. Even during the holidays when you may be targeting parents, you'll want to avoid sites critical of your industry.

Coordinate campaigns offline » Look at tying your paid online advertising campaigns to your offline advertising efforts. Specifically, in print ads use similar graphics, headlines and offers as you do online, list landing page addresses where consumers can get specially-coded coupons or product-specific information, and promote separately numbered phone lines leading into your central call center for tracking.

Be responsive to your inventory » You will also want to coordinate your promotions with the company inventory and sales calendar so that you are not losing potential sales because the items promoted are not in stock. Monitor internal inventory and adapt promotions accordingly. For major seasonal sales promotions, plan your campaign integration efforts a full six months in advance. You have a large list of items you would ideally want to integrate and each may have its own set of time and approval parameters.

Look for "upsell" opportunities » On your website, include an "also purchased" or "related items" list of products frequently purchased with such products (i.e., the rechargeable battery pack with their mobile device, the color-coordinated sweater that goes with the blouse, etc.).



A Sample Integration Strategy

We've selected a fictional online retailer of women's clothing and reviewed keywords we might consider optimizing for Natural Search, and including in a Paid Search campaign.

As you'll note, there are slight differences. Specifically, some very broad terms such as "women's clothing" were ignored. The number of sites positioned for this term naturally was, as of this writing, approximately 26 million on Google. This makes the likelihood of gaining a position in even the top 100 results highly unlikely. In similar fashion, the cost to buy the term "women's clothing" in a PPC campaign would be prohibitive for most retailers.

Note, however, how in Paid Search keywords, we included two common misspellings of "women's clothing"—"womensclothing" and "women s clothing." These are much more affordable and still reach some of the same audience.

Natural Terms to	Industry / Company	Paid Search
women's travel clothing	Online Retailer	women's athletic
casual women's clothes	"women's clothing"	women's summer
women's winter clothes		womensclothing
women's spring fashions		women s clothing
trendy women's clothes		women's clothing
women's workout		women's tennis

Overall, here are some things to consider when planning an integrated natural and Paid Search program.

- » For both Paid Search and natural campaigns, general or broad terms are very competitive. Generally speaking, the more competitive the term, the more difficult it is to achieve natural search positions and the more expensive the PPC ads. Marketers will want to refine terms to maximize their paid spending and maintain the highest search position possible for relevant and targeted searches.
- » Use Paid Search to fill in gaps for terms that are not optimized. For example: our women's clothing online retailer optimizes for "trendy women's clothing"—a well-trafficked term. However, terms such as "trendy women's hats" or "trendy women's tunics," where traffic is relatively low, wouldn't be worth including as natural keywords. Paid Search ads would work well here since these terms are relatively low cost and would provide targeted traffic.
- » In the example above, to get the best return, the paid campaign would target more specific keywords such as "women's summer clothes" or "women's athletic clothing." Bidding on common misspellings or grammatical errors is another strategy where cost can be balanced with terms that will often generate a good amount of search traffic.
- » In selecting keywords to bid on for Paid Search ads, and in optimizing for Natural Search, the goal is to find keywords that fit your business and/or products, and balance your budget with the existing search traffic for those particular keywords.

Bottom line: Check competitors and do your own searches. Look for highly trafficked, targeted terms that speak to your demographic and work within your price points.

Paid Search Best Practices: What to Look for in a Partner.

Are they strategic thinkers? » Simply organizing and refining your pay per click campaign can provide you with short-term results. To grow your business, however, takes a long-term view.

Are they certified? » Once you find a few likely vendors, look for their Search Engine Certifications. They will usually list graphic icons for Google and Yahoo! certifications in some prominent locations.

Do they follow industry best practices? » Choose a partner with a track record that has avoided certain PPC practices such as blockades, Click Through Rate (CTR) inflation, trademark infringement, etc. They should offer bidding strategies to handle practices such as bidjamming, dayparting, gap surfing and bigfooting. They need to offer reliable click fraud and trademark infringement protection systems defending both your budget and your brand.

Can they integrate your online marketing efforts? » Your PPC service provider should have a proven track record in all areas of online marketing—someone who can integrate paid efforts with natural optimization, audio/video and traditional advertising outlets.

Do they understand usability and conversion design? » Can their landing pages capitalize on the clicks you've just purchased? Given tight ad deadlines and the need to make rapid adjustments based on testing, landing page design capabilities should be on-staff at your PPC provider.

Do they have a demonstrated ability to conduct and evaluate multi-variate testing? » "What is the sales impact of changing this or that in our ad? Which will give us the best, most consistent results?" They need to have a proven process in place that will provide answers.



Microsoft **adCenter**

Oneupweb is certified by Google, Yahoo!, Microsoft and a variety of Online Shopping Engines.

In Conclusion: Grow with Paid

As we've illustrated, by any measure, Paid Search works. It's measurable, flexible, cost effective and growing in audience, share of media budgets and creative applications. And when integrated with a good natural search engine optimization program and overall marketing plan, it can return more for every media dollar spent.

When you're ready to find out just how much paid advertising can do for your organization, Oneupweb can help. Oneupweb has been an innovator in online marketing for more than a decade.

Find out more about our Paid Search services, analytics and related topics at OneUpWeb.com, or by calling us toll free at 877.568.7477.
