

PMGUIDE

2016 PERFORMANCE MARKETING GUIDE

Search Marketing (Paid)

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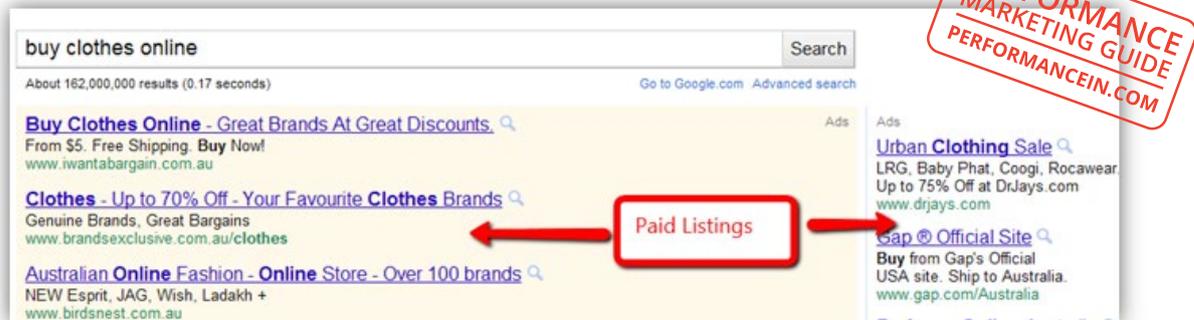
Based on a mechanism that only charges for results, paid search is performance marketing all over.

It may not be one of the newest channels within the performance mix, but the power of Google and its ever-popular search engine puts it as one of the biggest in terms of spend. In the UK, [IAB stats](#) have paid search reeling in £4.3 billion a year for the search engines, accounting for 51% of all digital ad spend, with budgets across Europe rising [5% year on year](#) during 2015, according to Adobe.

Retailers in the US are said to be earmarking an average of [60% to paid search campaigns](#), but companies on Stateside aren't the only ones attracted by proposition of using this form of pay-per-click marketing to drive huge amounts of traffic, and whatever that may lead to.

How it works

In a typical paid search campaign, the advertiser will pay a search engine for clicks driven via a placement at the top of a long line of organic search listings. Here is what a paid search listing looks like on Google.



It's easy to set-up a paid search campaign, with a fair chunk of the work going into optimising things once the first set of results are in. Here are the steps you'll need to follow:

1. **Align objectives** – Paid search presents a highly effective way of driving traffic to your site, but the crowds aren't of much use unless you've got a plan for them after they check-in. The landing page you direct them to must contain a clear call to action to encourage sign-ups, purchasing or another goal. This will also inform the keywords you bid on, as these will be paired to the product or service you're advertising – i.e 'formal shirts' or 'football boots'.
2. **Set-up an account** – The set-up phase encompasses deciding on the search engine you want to use (Bing and Google are Europe's most popular). This will also grant you access to a dashboard for tracking your progress.
3. **Keyword selection** – After plenty of research, you can start assigning budget to different keywords and time periods. Generally, the broader the phrase, the more searches it will attract and the higher a bid will be. There is no right or wrong approach, so it's always worth weighing up the cost of a click if it can get you results.
4. **Get creative** – A short but sharp approach favours the paid-search marketer. Your initial line of text is your best shot at getting the user on your landing page, so make it count with a snappy headline.
5. **Create a landing** – The ideal landing from a paid-search launchpad is the call to action the user needs to spring into life, but the location also matters. Avoid directing the user to a homepage or a generic shopping cart section; instead opt for a page containing text that runs in tandem with what you say in your ad.
6. **Track, track, track** – It's one thing to set up a paid search account and start seeing results right away, but another to optimise your campaigns for the best results. Use your search engine's analytics tools to see how people are engaging with your ads, the popular keywords, the devices they use, the landing pages they get on with, and anything else that helps you shift spend to the most effective areas.

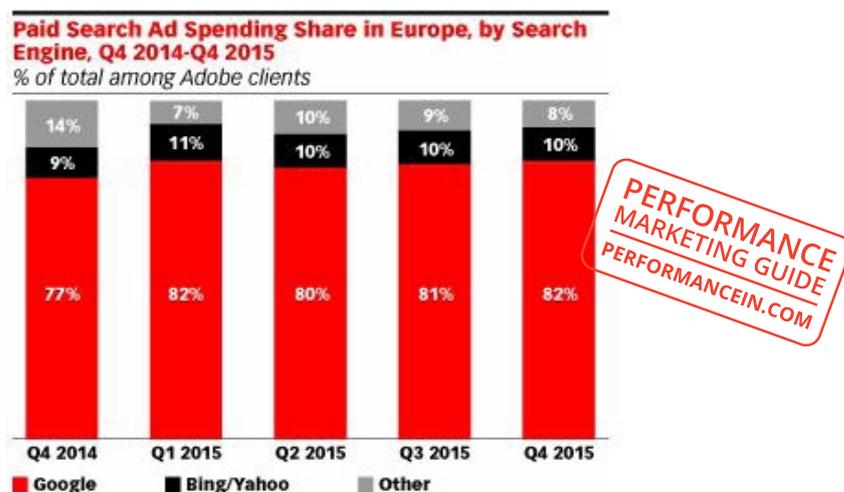
The below image from Learntosuccess lays out the above as well as some of the other details companies might want to observe throughout this period.



Where to find it

Looking for a place on which to base a paid search campaign shouldn't take long. There are few search engines that can genuinely compete alongside Google, and even the rising profile of Microsoft's Bing has done little to chip away at its dominance.

A table from Adobe shows Google taking 82% of Europe's paid search budgets up to Q4 of 2015, with the company actually raising its stake since 2014.



Big company dominance is of course seen across a range of digital channels. Another fast-growing area, programmatic advertising, is dominated by a tight group of key players, while ad tech groups are currently battling in a market where a great proportion of spend is handed over to the likes of Google and Facebook.

Who buys it?

One of the best qualities of paid search is its ability to work for a wide range of groups. Anyone selling online can benefit from traffic to their pages, and with [49% of all web users](#) hitting the search engines to find out more about a product or brand, it's a good place to have budget.

Trawl through the results of a generic search enquiry, like 'black boots', and you'll find a who's who of big-name brands. Extend your search out to product like 'black and Italian leather boots' and you might find results from companies you haven't come across; those who may have paid a lower price for their clicks as a result of targeting a more long-winded or specific phrase.

Local search is another option worth raising, and one that is made for all manner of companies. By targeting a specific location along with a key phrase – ‘cinema Covent Garden’, ‘Sushi restaurant Lisbon’ – you can lock in on people searching on the move. Mobile consumers want to find the items they need, as quickly as possible and within a five-mile radius. Inspiration, research, a decision and then a footfall visit to their local shop to complete the purchase, are how consumers are making use of mobile in their shopping journey.

Here are a few things to consider for running a local search campaign, with emphasis on targeting mobile users:

- Add call extensions to your mobile paid search campaign
- Use location bid adjustments to bid more aggressively for areas near to physical stores
- Optimise for ‘near me’ queries logged by users in search of inspiration
- Make sure contact information can be easily found on the landing page
- Use call-tracking technology to leverage the messaging off the back of conversions made following paid search ads

But that’s not all. Search engines are now rolling out even more location options to appease the people using its products as they navigate real-life areas. Google’s sponsored listings on its Local Finder results bear testament to this, and it will be interesting to see how else the engines monetise the crowds of people looking for options nearby.

The way of the searcher

To optimise your campaign and target the right keywords, it’s all about moving in the way of the consumer. For that, it pays to look at the developments of where people search in 2016.

Mobile searches have been growing rapidly over the last decade, and in [July 2015](#) it was announced that overall mobile use has overtaken that of desktop and other devices, including tablet. This split is only reinforced by search statistics, as Google announced earlier this year that it was seeing more searches made on mobile devices than on personal computers. In the US, search volume distribution shows [51% of searches are being made on mobile, and only 42% on desktop](#).

One of the reasons behind the growth in mobile searches is the expanding number of active mobile users. In the US, 80% of internet users own a smartphone with the average US adult spending [two hours and 51 minutes](#) per day on their mobile phones for non-calling activities. In the UK, [the most prominent demographic for mobile usage](#) is the under-25 age group, of which 96% are mobile users.

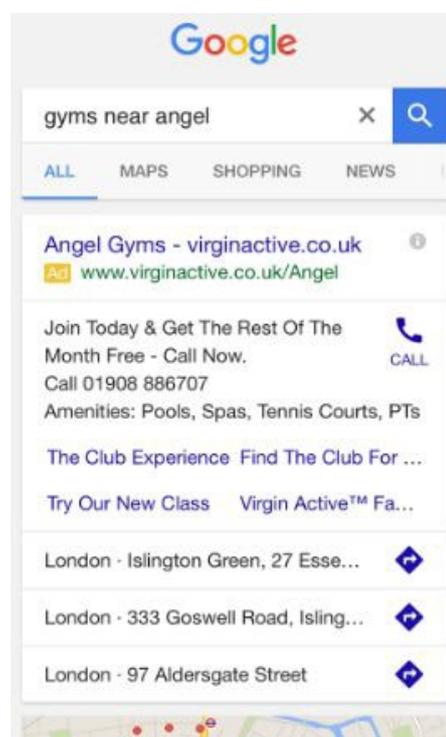
Mobile has even opened the door to new options, such as “Click-to-Call”, “Click-to-download” and “Get Directions”, which have expanded the paid search playing field by allowing merchants to focus on these new behaviours and use them to increase engagement, drive sales and link the consumer directly to the merchant.

This year, Google introduced specific ‘call-only’ campaign types that cater to businesses that only want to measure phone conversions. It’s also the first glimpse of a mobile-focused format we’ve seen since the introduction of enhanced campaigns. Phone numbers display in the ad headlines and the ad-click leads to a call rather than directing through to the website. The screenshot to the right is an example of what the ad looks like within the SERPs.

While important, mobile is one piece of a growing puzzle. Today’s consumer is still desktop-oriented when it comes to enquiries that can be made at home or at work. Campaign set-up and optimisation are still primarily focused on desktop, with only simple amendments made for mobile devices.

Mobile search may not lead to as many conversions as desktop, but user interactions such as phone calls or store visits are far more common, and these actions often lead to a conversion further down the purchasing funnel.

It’s said that [50% of users searching for store locations](#) will visit the place in question, with 18% of those individuals going on to purchase. Therefore, it becomes increasingly important for advertisers to be present on a device at the right time, and place, to capture the right consumer. Get into the mindset of the searcher and you won’t go far wrong.



Conclusion

Paid search remains one of the most critical channels for marketing spend, based on its ability to pay on results and reach people right at the start of their journey. It’s a no-brainer in terms of investment, but the key is in maximising that spend for optimal results.

Any experienced head should recognise the importance of tracking results; testing different landing pages and basing keyword bids on thorough research. As much is a given when it comes the ethos of performance-based advertising. Where the gains will be made in the future is in optimising activity, and making best use of emerging ad options.

Mobile spend is jumping, with advertisers and agencies capitalising on the migration to smartphone and tablet. This will become all the more crucial as Google, Bing and other engines work out the best way of reaching – and monetising – the next generation of searchers.

More ad units are on a horizon which promises a much richer delve into search features like Google's Shopping icon. We've already seen Shopping ads appearing in the regular Image results and this is just another example of an engine trying to monetise something attracting a high amount of traffic and engagement.

Generally, the overarching trend is to move with the user; to make the best use of how they're searching, why they're searching, the device they use as a gateway to that experience, and to optimise accordingly. Testing and measuring has never been more important, but this comes as a given for such a results-driven channel.