

OPTISEARCH

WHAT IT REALLY TAKES TO OPTIMIZE
SEARCHENGINE MARKETING PROFITS

mothers of invention

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Introduction

It's always been deceptively simple. A text ad, size of a postage stamp, appears next to organic search results or other Web content. Each time someone clicks the ad, the advertiser pays. In return, they get a chance to obtain a lead or sale.

Nuthin' to it, right?

Wrong. Even back in 2000, when Google began AdWords, only a small percentage of advertisers saw instant success. Many obtained a large number of clicks but never realized even minimally acceptable return on investment.

The Google algorithm has confounded many a sophisticated marketer. Today, due to its massive popularity among advertisers, the exploding number of choices for consumers, and a challenging economy, success on Google and other search engines is arguably more elusive than ever.

That's where OptiSearch comes in. This paper isn't a guide to the basics of search engine marketing (SEM). Myriad other sources cover the fundamentals. Instead, we'll address what it genuinely takes to optimize search engine marketing profits in today's environment.

Search engine marketing is part science, part art. Ignore the latter at your own peril.

Analytically inclined marketers go ga-ga over search-engine tools. For good reason. Never before have such dazzling capabilities been given, free of charge, to advertisers spending as little as a few bucks.

But the right tools in the wrong hands rarely lead to optimal results. In search engine marketing, a common byproduct of simplicity is widespread mediocrity. On the creative front, even the most experienced search marketing specialists lack the skills to develop superior creative advertising elements.

The opportunity cost of this gaping hole is huge.

As important as technology is, marketing, more than anything, is a business of ideas. Big, surprising, game-changing ideas. Indeed, one idea can change a business forever.

Advertisers using SEM often complain about high click costs, low conversion rates, and less-than-desirable return on investment. The solution often lies in a single word: creativity.

Even a simple AdWords text ad is a veritable canvas for creativity. Ad copy that attracts the right subset of prospects maximizes conversions – and lifetime value. Connecting the copy to a cross-media campaign provides the benefits of integration. A single creative twist can catapult results from unacceptable to successful. Positioning, offers, and pure copywriting all hold the opportunity for triple-digit improvement. It's a job best left to people in the marketing innovation arena.

Experienced SEM users know today's AdWords program is much more than text advertising. Google now accepts ads containing images, Flash, video, and other formats. With more than a million participating content sites, opportunities for visual advertisers are vast.

The most interesting visual advertisements don't simply contain photos or images, they're built around high-impact concepts. The right concept clarifies. Amplifies. Takes readers from where they are to where you want them to be.

Now that we've discussed the importance of creativity in all forms of advertising, including SEM, let's dive into five factors that govern advertising quality:

1. **Product** – Basic level of demand for a product or service
2. **Information** – Quality of input received by the advertising team
3. **Time** – Hours available to process input and develop creative ideas
4. **Money** – Budget available to execute advertising for maximum ROI
5. **People** – Experience, track record, and availability of the team

To know that we know what we know, and that we do not know what we do not know, that is true knowledge. ~ Confucius

The oft-quoted Chinese philosopher would have been one helluva marketer. Great marketers are keenly aware of limitations in their knowledge, skills, and interests. They seek out experts capable of adding an extra dimension to marketing activities. They're not limited by their own imagination.

Of course, a search ad is never an end in itself: It always leads somewhere. This brings us to our next canvas for SEM creativity. In cost-per-click (CPC) marketing, it's generally far easier to obtain clicks than conversions. The game is often won or lost on the all-important landing page. Like so much SEM, creating effective landing pages is harder than it looks – especially when it's all about getting the best ROI.

Here are seven frequently overlooked landing-page-optimization considerations:

1. **Campaign integration** – Connecting your landing page to a unified campaign builds a mutually supportive relationship among media
2. **Creative concept** – A singular, captivating, smart idea could be the difference between ordinary and extraordinary
3. **Offer** – It's the "carrot" that motivates readers to sign up or order. Many marketers underestimate the range of relevant, cost-effective, interesting options
4. **Copywriting** – Exceptional storytelling can bring a large number of prospects over to your side
5. **Graphic design** – Well-designed pages that function properly notably outperform poorly designed ones
6. **Data collection** – Ask for too much information, the response rate tanks; go for too little, you limit back-end effectiveness. Striking the ideal balance is key
7. **Engagement** – Assets like audio and video bring to your page the power of TV

Let's briefly talk about the last point. Video can provide a television-like experience for your viewers. Virtually all marketers recognize that TV is the most persuasive medium in history. Forrester Research said video raises online click-throughs up to 200% and that a website with video is 53 times more likely to appear on page one in Google search than a site without it.

What's more, marketers have the opportunity to create video designed to optimize landing page completions. And even use scripted content – similar to a TV spot – to send results through the roof.

Yet video is rarely tested against static options in a controlled fashion. Which leads us to the next topic.

Search marketers are only as good as the tests they run.

Search engine marketing fits within the definition of direct marketing. It's advertising with a specific and measurable call to action and results that (should) land in a database.

The best direct marketers are the best testers. Whenever possible, they rely on facts rather than speculation, opinions, and biases. Testing is to direct marketers what R&D is to manufacturers.

Enlightened direct marketers start by testing the most important variables. They test to minimize downside risk and maximize upside potential. The controlled (or A/B) test, long a staple of direct marketing, enables advertisers to identify productive and counterproductive elements. In controlled testing, all variables except one are held constant. In Google, that variable might be the headline, body copy, offer, or URL. As for visual advertising, the variable could be the concept, copy, graphic design, audio, video, or other element.

Google AdWords enables simultaneous A/B testing using flawless sampling until it achieves projectable results. It even goes a step further by permitting A/B/C testing (three variations!) at no extra charge.

This means savvy search marketers can, within as little as a few hours, see dramatically improved results at little or no cost. But the operative word is *savvy*.

Savvy advertisers don't tinker at the margins, running low-priority tests until critical ones – those involving the most volatile elements – are completed.

In search ads, important tests (beyond the obvious, like search terms and ad groups) include:

- **Positioning:** Attracting the right subset of prospects and differentiating the advertiser
- **Offer:** Enticing prospects with offers that maximize response and return on investment
- **Copy:** Making each and every word in each and every ad count

Some of the most interesting search marketing tests are designed to improve lead or customer quality without impacting quantity in ways that hammer down ROI. One particularly interesting test is one-step sale vs. two-step lead generation. Two very different animals – and the variation in results can be huge. But more about that later.

Landing pages, often a make-or-break element, are rarely tested in a controlled way by search engine marketers. Yet it's actually fairly easy to test landing pages by varying the destination URL (the URL becomes the source code) and doing basic arithmetic from there.

Which landing page elements should you test? Most are test worthy, including concept, offer, graphic design, data collection and, yes, the use of audio and video.

After you've optimized your search engine marketing program, you're in the ideal position to compare it against other media. As profitable as SEM can be, it's vital to approach it without bias. Marketers should always concentrate spending on the most productive customer acquisition sources, based on dollar votes.

Just think of your customer sources as "buckets" for your marketing budget. You've got to maximize the most profitable bucket – not simply in cost per click but in lifetime ROI – followed by the next most profitable, and so on, until business goals are met.

Certain tests are easier to implement – and read – than others. Social networking is a great example. After a marketer launches a network, shutting it down isn't easy if it falls short of expectations.

What's more, its monetary advantage won't likely be instantly apparent. Sometimes the network receives an "assist" at the start of a customer relationship and isn't the sole originator. In that case, revenue must be linked equitably back to contributing channels.

In search engine marketing, there are no shortcuts to optimization. Your mantra is test, test, and test again. Not testing? You're not optimizing.

Testing is best left to battle-hardened veterans who've conducted thousands of tests of major advertising variables. Experts with testing prowess far surpassing what they teach in Direct Marketing 101.

One of the most common testing pitfalls is taking the short-term view. Experienced marketers know the "back end" is often where serious money is made. Which brings us to the next subject.

SEM is usually won or lost on the back end.

In the early days of Web marketing, we called it "an unnatural act": the attempt to sell, in one fell swoop, an expensive, complex, or disruptive product to those with zero knowledge of the category, company, or brand.

Via testing, search engine marketers – especially in B2B – often concluded that two-step lead generation is far more profitable than one-step selling. When it's all about getting a qualified lead, you're not really selling a product, you're trying to maximize the number of strong prospects who raise their hand, indicate interest, provide feedback, and give permission to get email or take a call.

Back-end success is tied directly to front-end quality. The properly merchandised offer will maximize response and lifetime relationship value. Conversely, a poorly conceived offer attracts too many tire kickers and burdens your team with excessive false positives. For companies spending big bucks on telephone lead qualification using well-paid reps, that spells skyrocketing costs.

Your search engine marketing concept, copy, and graphic design dictates the quality of leads landing in the database – as well as lifetime customer value. The right creative transmits "code" to the best prospects and repels the worst. It can even place the advertiser in a category of one. By adding video to the SEM mix, a marketer may add a large number of higher-spending, highly motivated prospects to the database.

The landing page is the place to begin letting prospects profile themselves. The incentive has much to do with the quality and quantity of feedback collected. But even with an irresistible offer, there's always a data collection cutoff. Exceed it and you risk a net loss. The right team will put feedback collection in a solid starting position. From there, results can be optimized through split-run testing.

If you've done your job and a prospect presses Submit, the rest of the experience should be consistent. But content must do more than maintain a consistent look and feel. The *attitude* of each touchpoint has got to be the same.

The autoreply – whether it's for double opt-in or to move the sales process downstream – should be well-thought-out. Even more crucial, your email series should reflect each prospect's profile and align with goals and strategies.

Email advertising tied to SEM – or any marketing program – is optimized when it's actually treated as *advertising*. Anyone with an in-box knows how difficult the medium can be. So why would marketers with even a decent budget not want to work with interesting visual concepts, first-rate copy, cost-effective offers, and top-notch graphic design? And that's in addition to "best practices" relating to the more technical aspects of email advertising.

Use of marketing automation for triggered and nurture email affords us the opportunity to align marketing with the natural rhythm of the buying process. By adding social networking to the email marketing mix, we make new friends, remain top-of-mind, and knock the competition out of the ring.

In search engine marketing, follow-up is everything. Email advertising should be at the center of your follow-up. Don't make email an afterthought. Approach it as sensitively as you do other forms of advertising.

A final word about optimization.

Much of SEM is currently paint-by-the-numbers. It's competent but lacks that extra something found in great stuff. As we all know, change isn't easy but it's necessary. Hence the saying, "change or croak."

Change agents jump over obstacles, including organizational and cultural ones. They tear down walls and, if need be, parachute in to improve outcomes.

As for compensation, search engine marketing pay is often less than optimal. Many SEM specialists are paid based on total spend. Because they're rewarded for high levels of waste, they're tempted to waste money. Others are paid at such low rates, they have no incentive to give the program the attention it requires. Now that SEM has emerged as a major customer acquisition source, it's time for compensation to be reasonable and even value-based.

Largely because of tradition (10 years ago it seemed extremely mysterious), search engine marketing is often done in a silo. Big mistake.

Optimized SEM must dovetail with all other elements of the marketing program. They must sing in unison. Those all-important creative and direct marketing elements shouldn't get short shrift simply because of the skills and preferences of the SEM team.

To borrow from Ronald Reagan: It's time to tear down that silo.

About Mothers of Invention and OptiSearch.

Mothers of Invention unites sophisticated direct marketing techniques with unconventional creative concepts across online and offline media. The agency has created dozens of record-breaking campaigns and won more than 50 results-based awards.

OptiSearch is our offering devoted to optimization of search engine marketing elements.

For a complimentary consultation on your search engine marketing, phone Mothers of Invention founder Robert Rosenthal at 978-897-3800 x11 or email robert@themothersofinvention.com.

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