

Module II Overview

**PLANNING: Things to Know
BEFORE You Start...**

Why SEM?

Goal Analysis

How good is my site?

Site Analysis

How good is my search?

Measure SEM performance

How to do it?

Strategic Planning

How to sell it?

SEM Proposal

So far, we have...

- Analyzed our own business (Goal, Areas ...)
- Developed metrics
 - 30% of advertisers don't track **conversion rate**
 - Almost 40% are not calculating their **return on investment**
- Selected keywords
 - The 80/20 rule vs. the “long tail”
 - Top five search terms sending traffic to your site often make up **less than half** of your total search engine traffic
 - Look for small bargains, don't fight for one or two big words
- Estimated **Revenue**

We still need to:

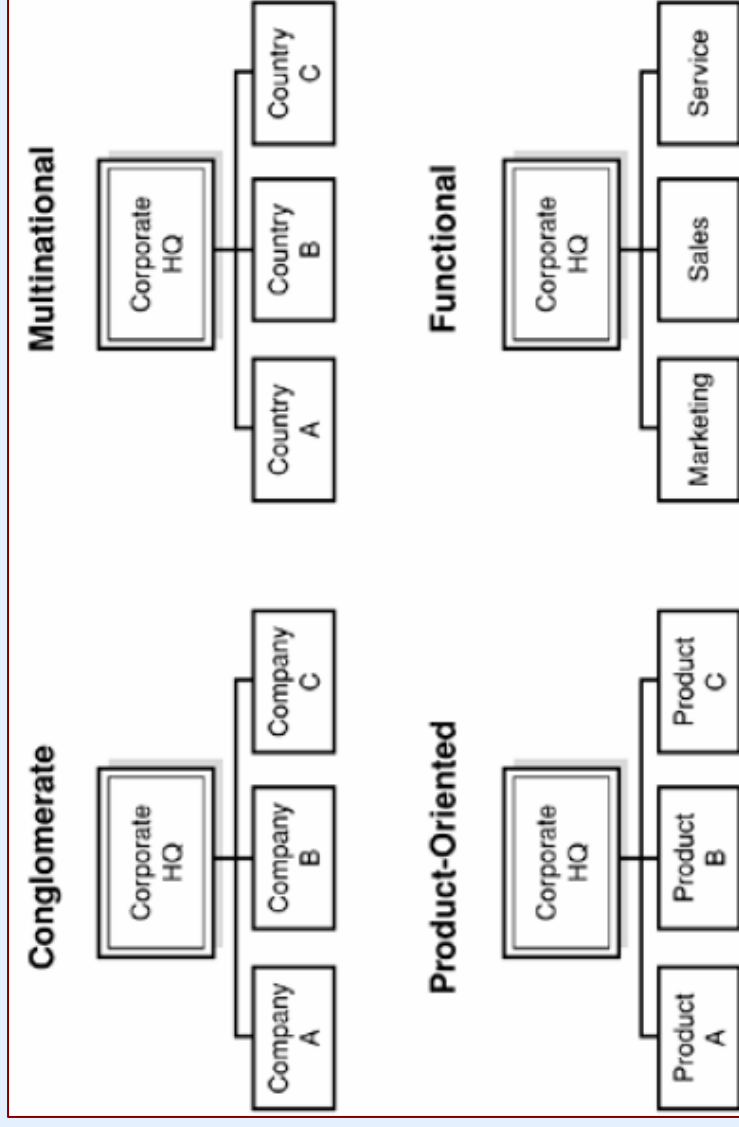
- Estimate **Cost**
- Formulate a **strategy**
 - Campaign scope
 - Divide tasks
 - In house vs. external
- Make your case

SEM Strategy

- Strategy: a **long term** plan of action designed to achieve a particular goal
- Define your **scope**
 - **How long?**
 - **How much?**
 - **How many** (products, countries, sites...etc.)?
- A typical SEM program contains multiple campaigns

Define the SEM Scope

- Scope definition depends on
 - Corporate goal
 - Corporate structure
 - Corporate culture



Define the SEM Scope

- Conglomerate
- Multinational
 - Centralized management?
 - Language issues
- **Function-oriented**
 - Normally easier than product-oriented
 - Key: cross- function cooperation

Define the SEM Scope, Cont.

- Product-oriented
 - How diversified are the products?
 - Same technology? Same site?
 - Same customer groups? Same keywords?
 - Cross-site cooperation is a challenge
 - May require multiple SEM programs

Define the SEM Scope, Cont.

- Size does matter
 - **Flexibility:** Don't underestimate the power of organizational behavior / culture !
 - **Brand Name:** Don't get tempted to the “dark side”
 - **Resources**

Define the SEM Scope, Summary

- When deciding the scope, think about
 - **Goal** of the company
 - **Structure** of the company
 - **Size** of the company
 - **Your role**

Divide the Work

- The Tale of Two Teams...
 - The Central Team: SEM specialists
 - The Extended Team: web specialists + domain experts
- Coordination is critical!
 - Clearly define procedures to ensure coordination

Divide the Work

- Type of Tasks
 - Strategy
 - Search Engine Selection
 - Keyword Selection
 - Bid management
 - Content optimization
 - Site development (tech. & standard selection)
 - SEM tools selection
 - Metrics design

Divide the Work

- Who does what?
 - Central team: more strategic, high level view, expertise on SEM
 - Extended team: local, lower level view, expertise on web development & local market

Task	Functional	Product-Oriented	Multinational	Conglomerate
Targeting search engines	Central	Central	Extended	Central
Planning keywords	Central	Extended	Extended	Central
Reporting metrics	Central	Central	Central	Extended
Defining standards	Central	Central	Central	Extended

In House? Outsource?

- Some factors to consider:
 - Time, budget, quality
 - Culture, expertise
- What about the automated tools?
 - 20% technology:
 - Gathering, collecting and sorting huge amounts of data from numerous engines
 - Calculating important ROI metrics
 - Producing a wide range of reports presented in meaningful formats:

In House? Outsource?

- What about the automated tools?
 - 80% human:
 - Keyword development
 - Search term copywriting
 - Landing page analysis
 - Review of multiple variables when making bidding decisions
 - Types of competitors listed above and below you on a search engine
 - Marketing messages of competitors
 - ROI effects of bids
 - Historical position analysis

Estimate Costs

- **SEO Costs**
 - \$ 100 – 200 to optimize a page
 - Usually a one-time effort, 60 – 100 hours
- **Paid Placement**
 - 40 – 60 hour per campaign per year
 - Use Yahoo or Google's Bid View tool
 - Use the estimated traffic number
- **Personnel Cost**
 - 75,000 – 150,000 a person

Sell Your Proposal

- Cost / Benefit Analysis
- Who to talk to?
 - Extended team
 - Executives

Sell Your Proposal

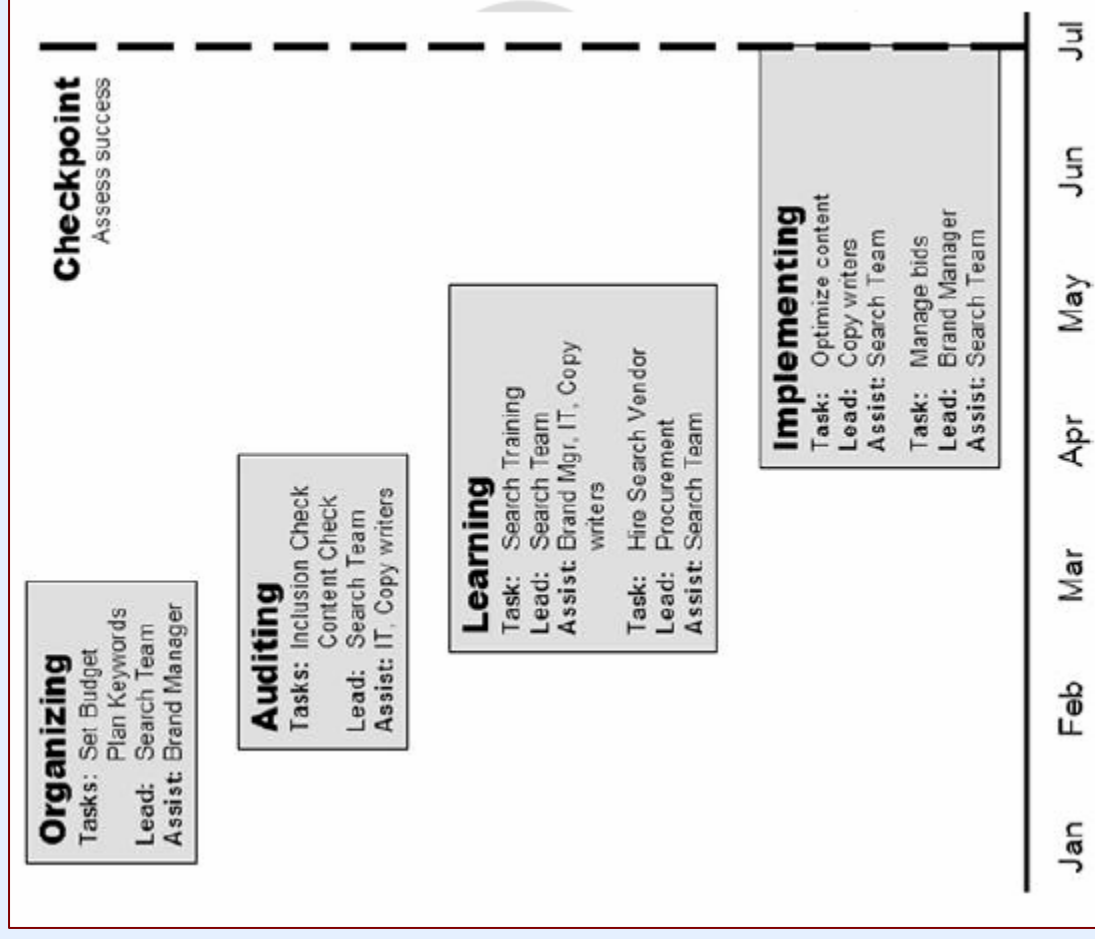
- Projected Revenue
 - Projected traffic from SEO + Paid Placement
 - Estimate conversion
 - Average Price
- Cost
 - One time cost of SEO
 - Annual cost of Paid Placement
- Profit

Sell Your Proposal

- Project Plan
 - Organization phase (you are doing it NOW!)
 - Auditing phase (for SEO)
 - Learning phase
 - Implementation

Sell Your Proposal

- Project Plan



Sell Your Proposal

- Sell to extended team
 - Business units
 - Brand manager – the marketing talk
 - Sales manager – the money talk
 - PR people – the image talk
 - Lawyers
 - Writers
 - Technical people
 - Webmasters: URL, URL re-direct & robots.txt
 - Web developers

Sell Your Proposal

- Sell to executives
 - Refer to the book about the 10 questions

SUMMARY

- In the second module, we:
 - Analyzed the goal of a web site
 - Designed metrics for site performance and SEM performance
 - Listed the tasks involved in a SEM campaign
 - Conducted cost / benefit analysis
 - Formulated a SEM strategy
 - Sold our proposal

Ten Common Mistakes

- Not enough 3, 4, 5 words **phrases**
- Non-qualifying **description copy**
- Non-relevant **landing page**
- Poorly designed and focused **landing page**
- Heavy reliance on **bidding tool**
- Allow **affiliates** to bid on trademarks
- **Bidding to the top** mentality
- Ignore your **competitors**
- Ignore **search engine** differences
- Ignore **fraud**