#### **Search Engine Strategies**

**CSE/BIS 197 Fall 2006** 

- Welcome!
- Profs. Brian Davison and Lin Lin
- Syllabus, schedule, etc. all online
  - http://www.cse.lehigh.edu/~brian/course/sem
- One credit, meets just once per week
- One textbook: Search Engine Marketing, Inc.

#### **Course Overview**

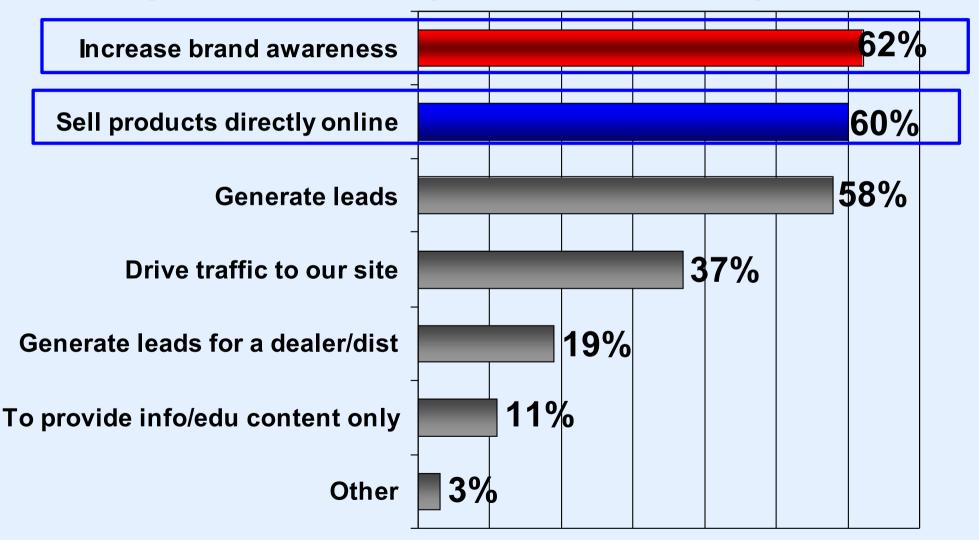
- Three parts
  - Introduction
  - Planning a search marketing campaign
  - Implementation
- Semester-long project
  - Design a campaign for a university department
- Online discussion (required, by Monday noon)
  - Ask and answer questions for each chapter
- Expect to have one or more special visitors

#### **Background**

- Assumption throughout the course
  - You want to make your website visible and attract your target audience
    - Whether to sell, promote politics, or let yourself be heard
- Search Marketing
  - Process of maximizing the number of searchers coming to your site
  - Includes more than just search engine optimization (SEO)



## Reasons that Search advertisers are using Search engine marketing, 2005

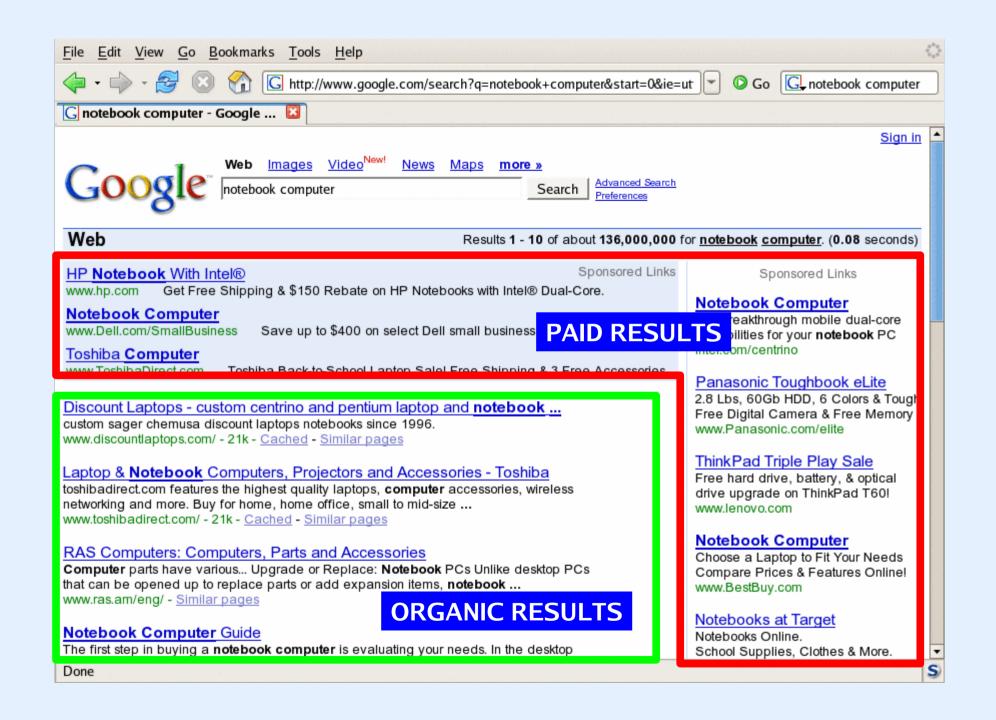


Source: SEMPO, December, 2005

#### **Web Search Basics**

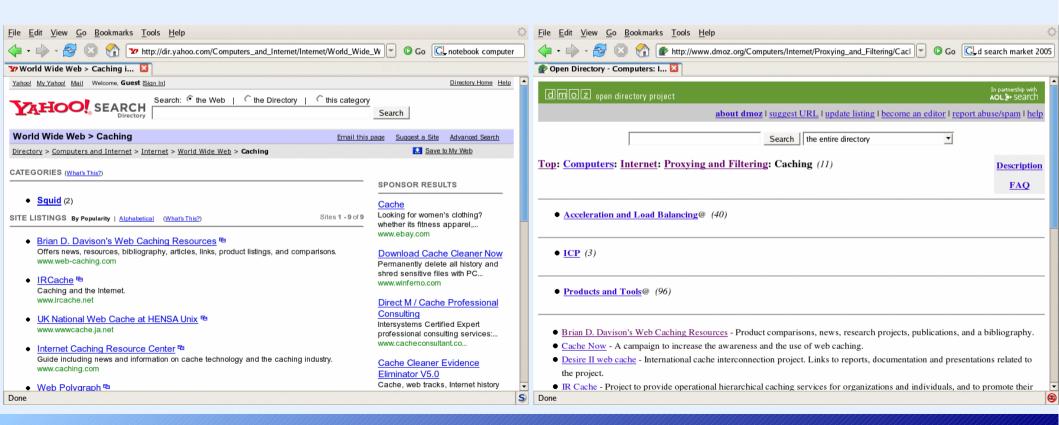
- More web users are searching
  - 91% of Internet users search for information (60% daily) [Pew/Internet, Dec. 2005]
  - 76% of all web users searched at least once in Jan 2004 (114M visitors to search sites)
  - 64% of web surfers use search as the primary method of finding things on the web
  - Have you Googled yourself?
- You need to know
  - The different kinds of search results
  - Where searchers go

- Organic results from an index
- Directory results
- Paid results

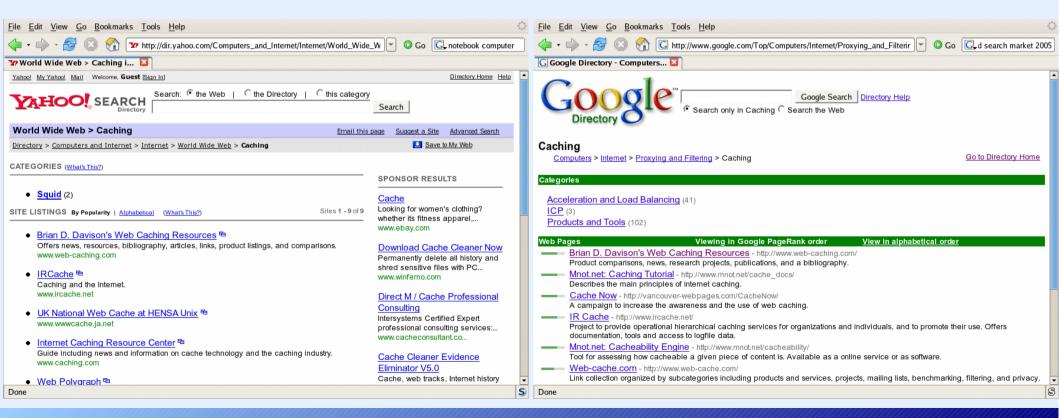


- Organic results from an index
  - Natural results from an index of crawled web pages
    - Usual meaning when referring to search results
  - Search engine optimization efforts are to improve ranking in organic results
  - Searchers click on organic results 60% of the time

- Directory results
  - Directories show site entries within particular categories
    - Yahoo's directory
    - dmoz Open Directory Project



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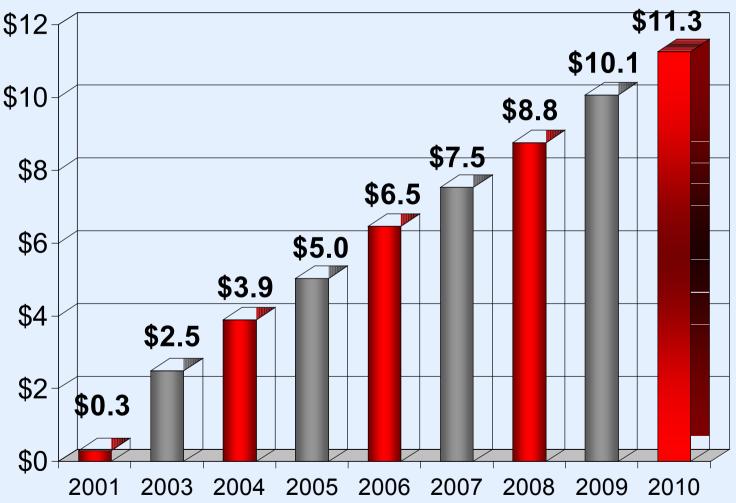


#### Paid results

- Includes both paid inclusion (indexing guaranteed) and paid placement (sponsored search)
- Paid placement lists ads along with organic results
- Paid search was a \$10B market in 2005 [ClickZ]



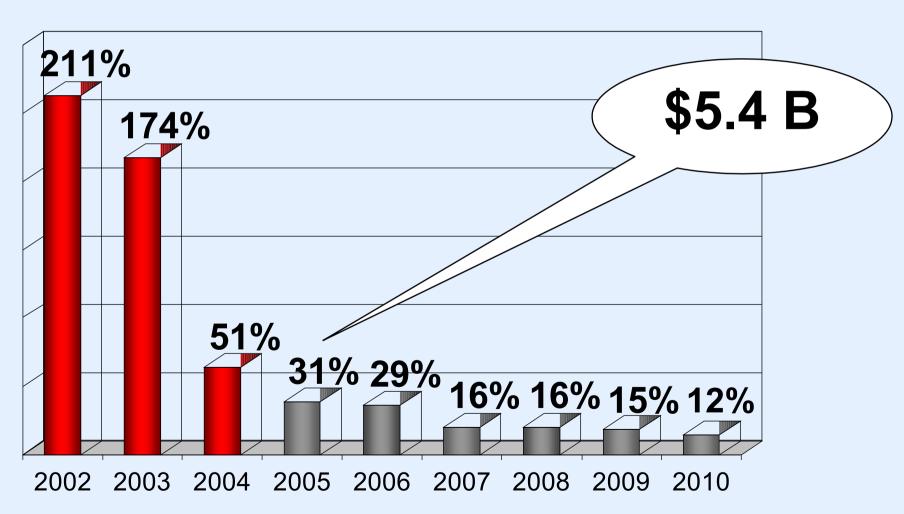
# US Paid Search Advertising Spending, 2001 – 2008 (in billions)



Source: eMarketer, 2005, with IAB/PwC as baselines for 2001 – 2004; \*SEMPO figures for N. America



# US paid search – spending growth (% increase vs. prior yr)



Source: eMarketer, 2005; \*SEMPO figure for N. America

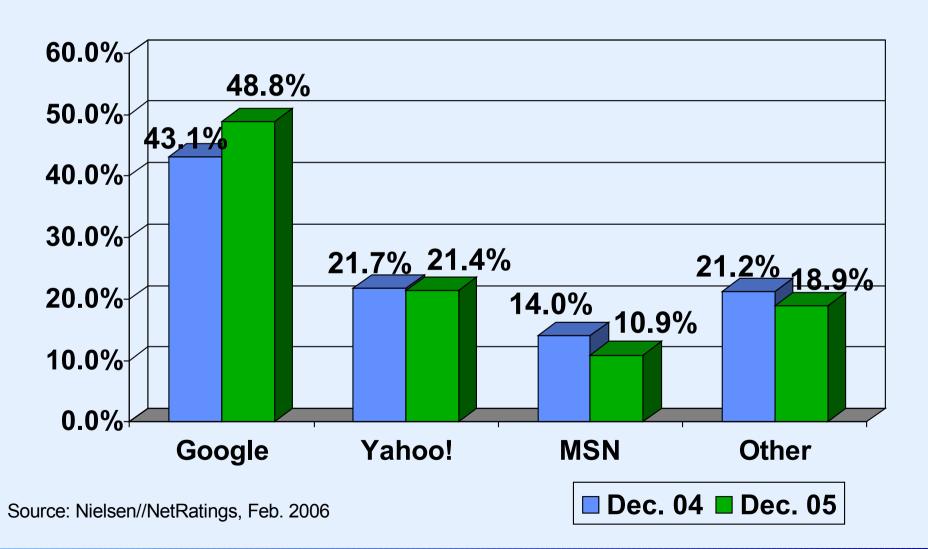
## Where do searchers go?



- Top destinations:
  - Google, Yahoo, MSN, AOL, Excite, Ask
- Typically half of users of an engine will use another engine if needed

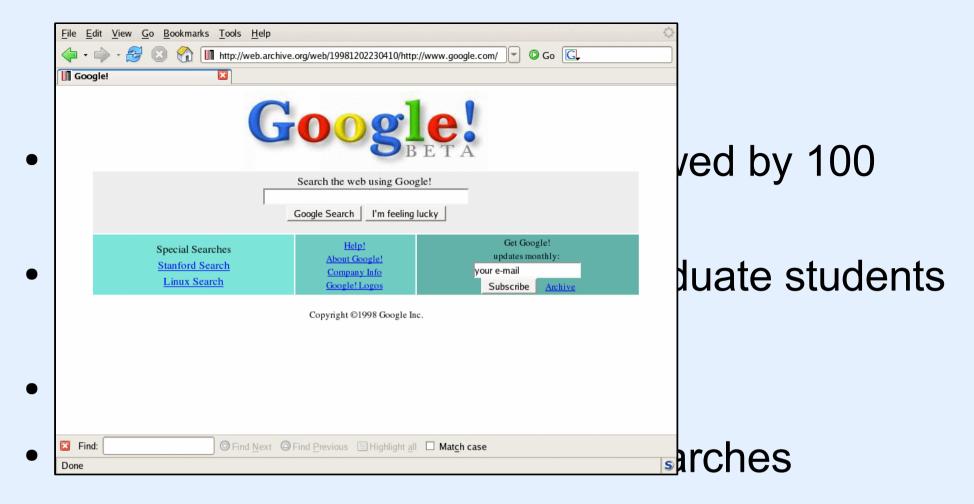


## Share of US online searches, by Search Engine, Dec. '04 vs. Dec. '05



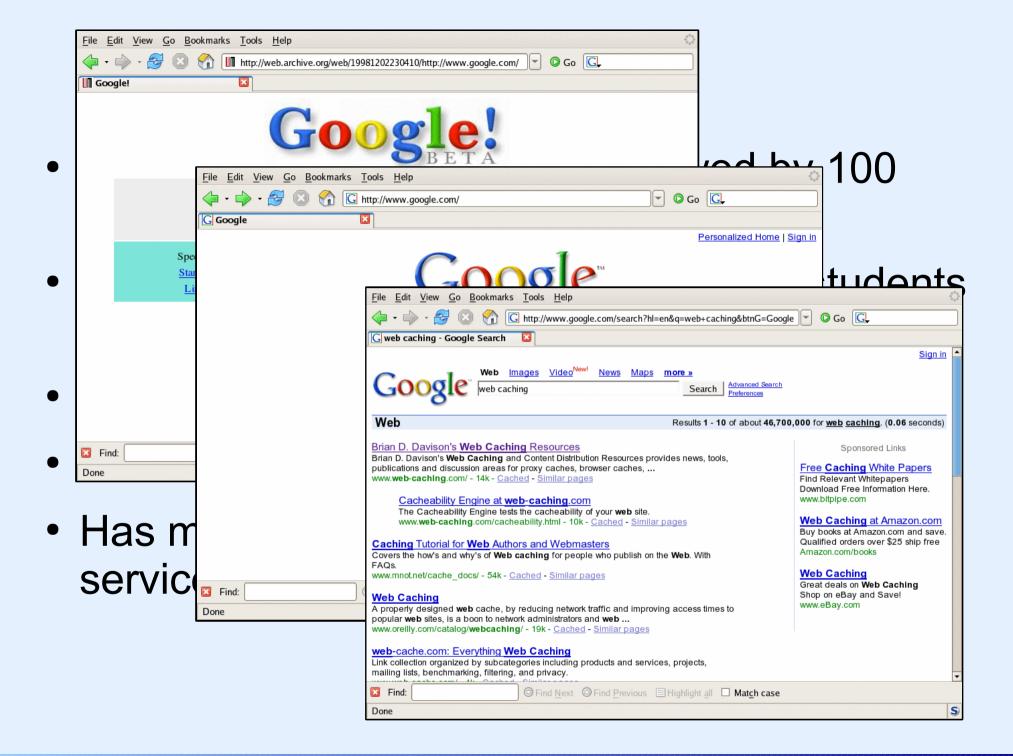
#### Google

- Play on the word googol (1 followed by 100 zeros)
- Created in 1998 by Stanford graduate students Larry Page and Sergey Brin
- Googling has become a verb
- Handles about half of all web searches
- Has many (much less popular) additional services



Has many (much less popular) additional services





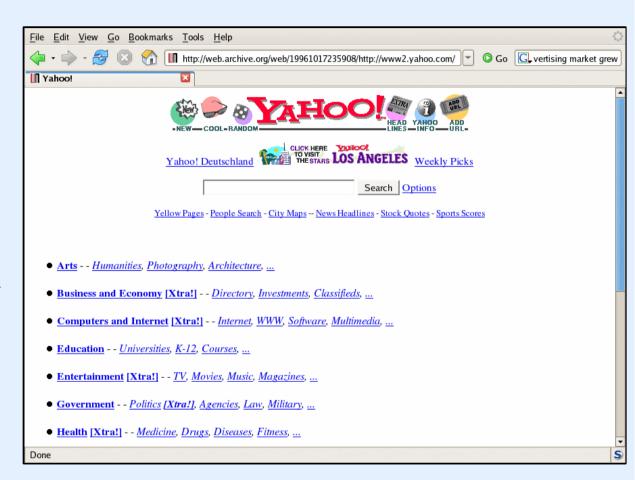
#### Yahoo!

- One of the most-visited sites on the Web
- Includes portal with news, shopping, email, etc.
- Founded in 1994 by Stanford graduate students
- Acronym: Yet Another Hierarchical Officious Oracle
  - Built directory of web sites, very popular!



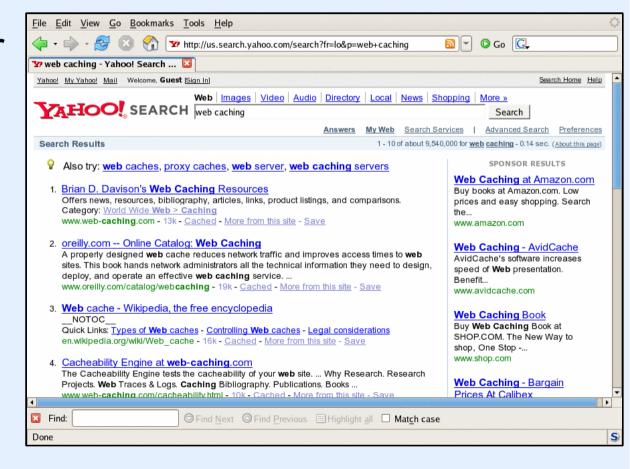
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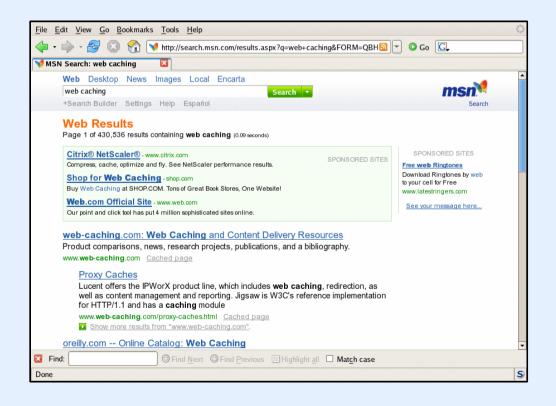
#### Yahoo! Search

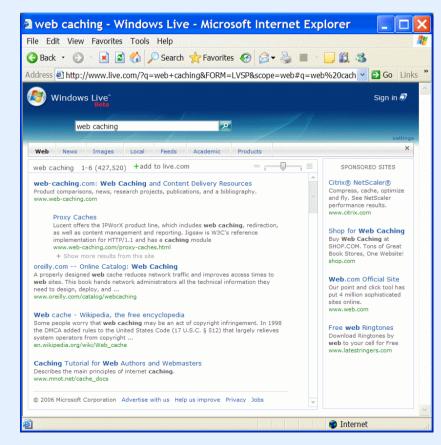
- Second most popular search engine (25% of searches)
- Originally outsourced search to Inktomi, then Google
- In recent years,
   purchased a number
   of search engines
  - Inktomi, AltaVista, AllTheWeb, Overture (2005)
- Now has its own search technology



#### **MSN Search / Windows Live Search**

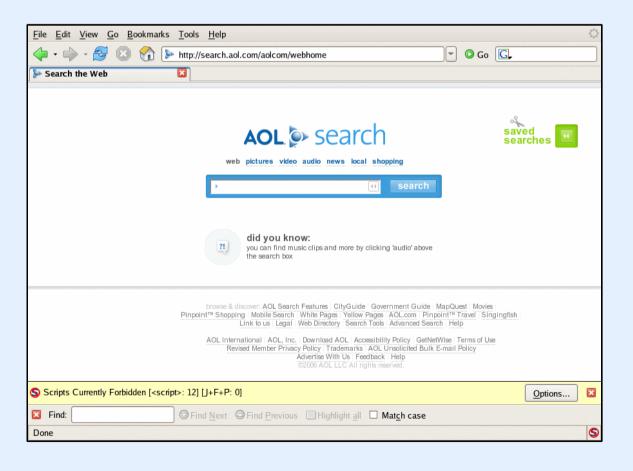
- Originally part of the Microsoft Network
- Previously outsourced search to Yahoo
- Built new search engine





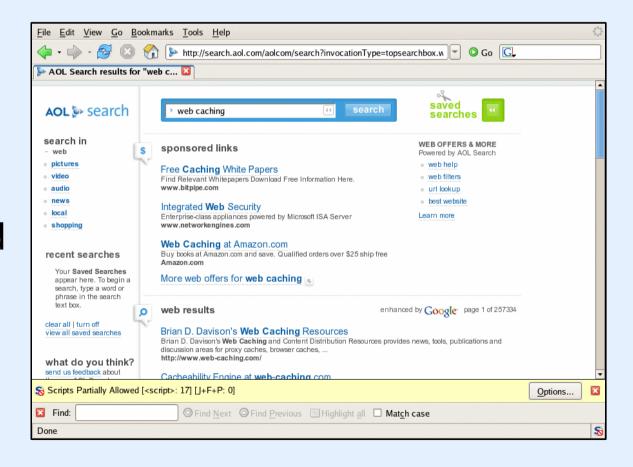
#### **AOL Search**

- Part of Time Warner
- Used primarily by AOL users
  - But open to everyone
- Google provides main results
  - Both organic and paid search



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#### Ask.com

- Created in 1996
- No longer a 'natural language' search engine
- Respected tech; novel features
- Acquired
   DirectHit (2000),
   Teoma (2001),
   Excite (2004)

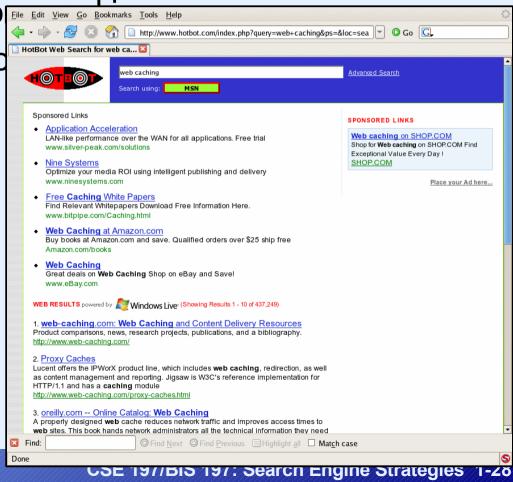


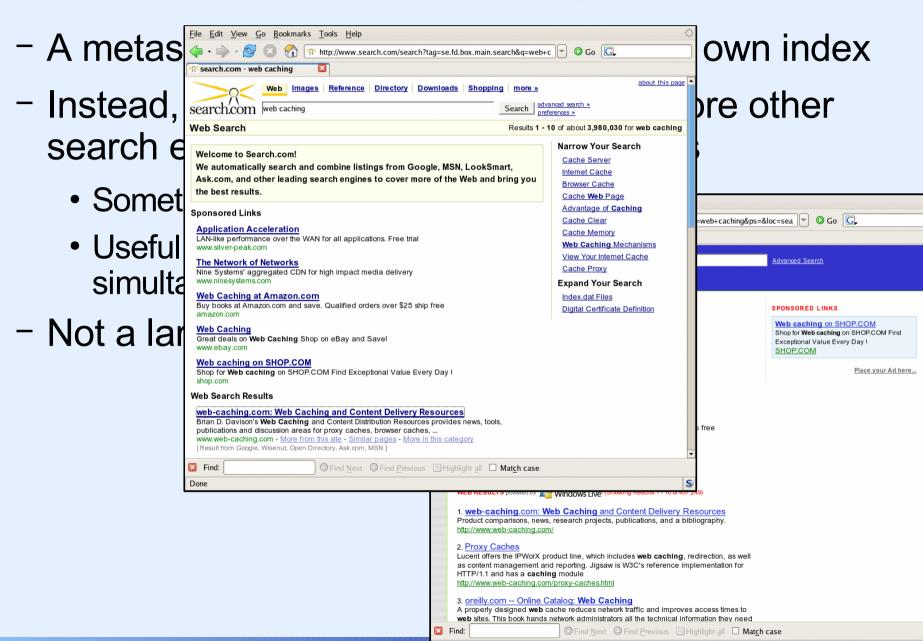
- A metasearch engine does not have its own index
- Instead, it sends the query to one or more other search engines and displays the results
  - Sometimes combining or reranking
  - Useful when you want to search multiple sites simultaneously
- Not a large user base

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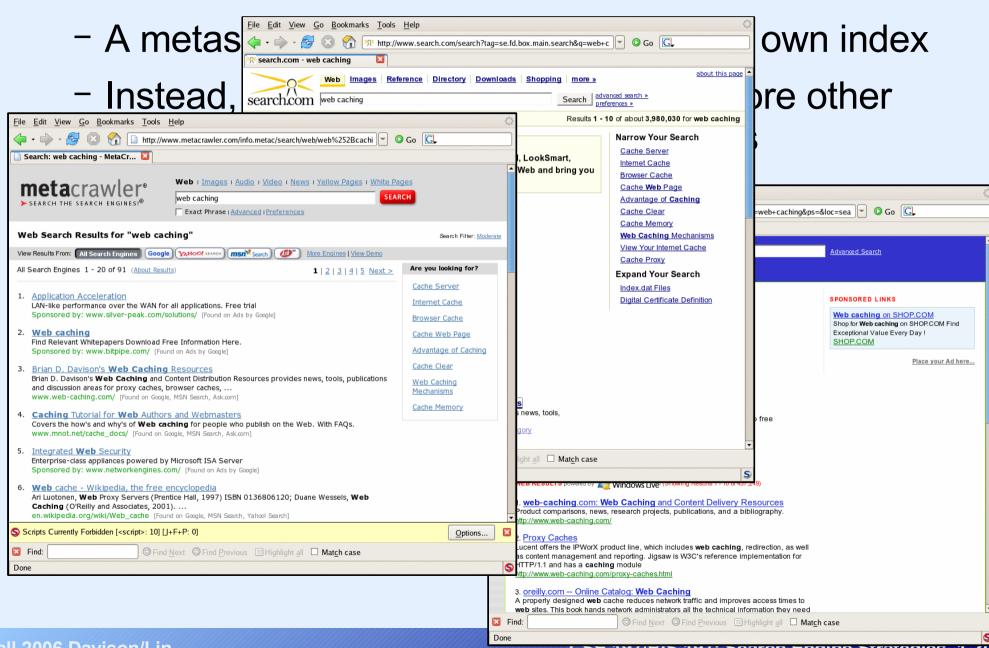
Sometimes combining OFILE Edit View Go Bookmarks Tools Help

- Useful when you want to simultaneously
- Not a large user base





Done



#### Local search engines

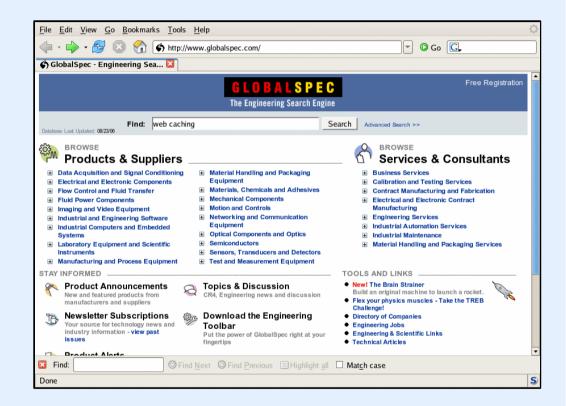
- Contain content or use an interface that is specialized for a particular country or region
  - e.g., www.search.ch
- But big engines also build country-specific sites
  - e.g., www.google.co.uk
- "Local search" refers to search with a targeted location
  - "hotels in NYC", "home appliances" (to buy in your local area)
  - Most major engines are working on local search
  - Also includes yellow pages sites (e.g. www.superpages.com)
  - 55% of Internet users use search engines to find info about local firms [Kelsey Group, 2005]

#### Shopping search engines

- Shopping search services simultaneously compare products, pricing, features, etc.
- Visitors already know what they are looking for
  - Often ready to purchase
- Top sites:
  - Yahoo! Shopping, Shopping.com
- Many others:
  - NexTag, PriceGrabber, Froogle, PriceWatch

### Specialty search engines

- More focused domain
- Engineering
  - www.globalspec.com
- Academic papers
  - CiteSeer, Google Scholar
- Information technology
  - IT.com



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### Search and Your Marketing Mix

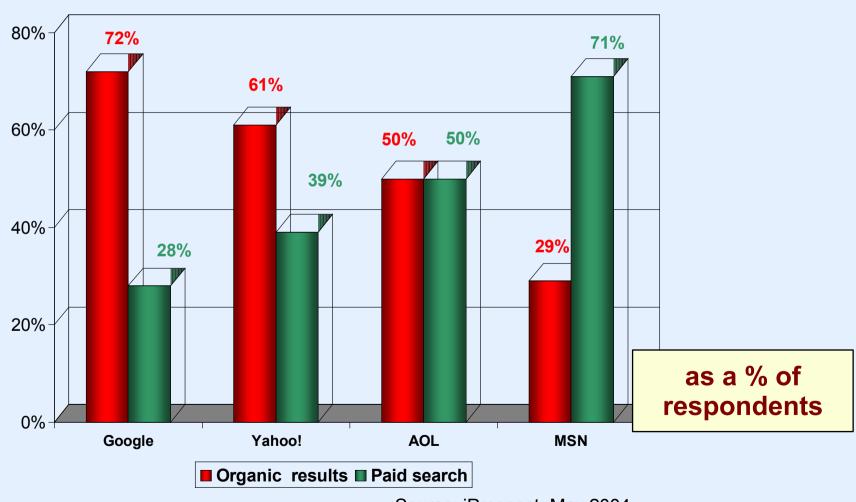
- We've seen that...
  - There is lots of searching happening online
  - There are many search services
- Search marketing should be part of your marketing budget
  - Competitor's mix might include paid search
  - Organic efforts sometimes funded from marketing
  - Search marketing is growing worldwide

#### Prospective customers use search

- 33% of web searchers are shopping
- 87% of consumers research products online, buy offline [BIGresearch, 2006], perhaps providing search marketing its biggest ROI [comScore, 2006]
- Total Internet users over 1 billion
  - 200M+ from US [Internet World Stats]
- People now search for your product, or your competitor, or the generic product category
- If your site is not near the top, it is not part of the customer's consideration set
- Searchers are more qualified than banner ad clickers



## Type of Search Results that US Internet Users Cite as Most Relevant, 2004



Source: iProspect, May 2004

#### Willingness to Click on Sponsored Search Links, by North American Google Users vs. Non-Google Users, 2004 (as a % of respondents)

#### **Google users**

70.6%

29.4%

#### Non-Google users

70.39

27.7%

#### Yes, if looked relevant



Note: n=425; 74% of respondents had 5 or more years of Internet

experience

Source: Enquiro, April 2004

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www.eMarketer.com

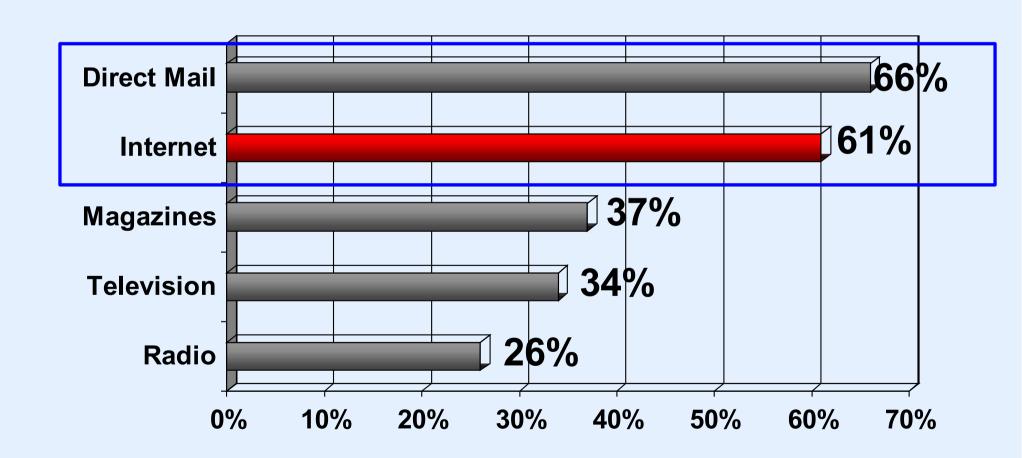
Source: Enquiro, April 2004

#### Search marketing is cost-effective

- Search marketing has lowest cost-per-lead
  - (about 1/3<sup>rd</sup> of yellow page advertising and 1/20<sup>th</sup> of direct mail)
- Can argue for reduced budget of other forms of advertising



## Marketer's opinions regarding the effectiveness of media for providing measurable ROI



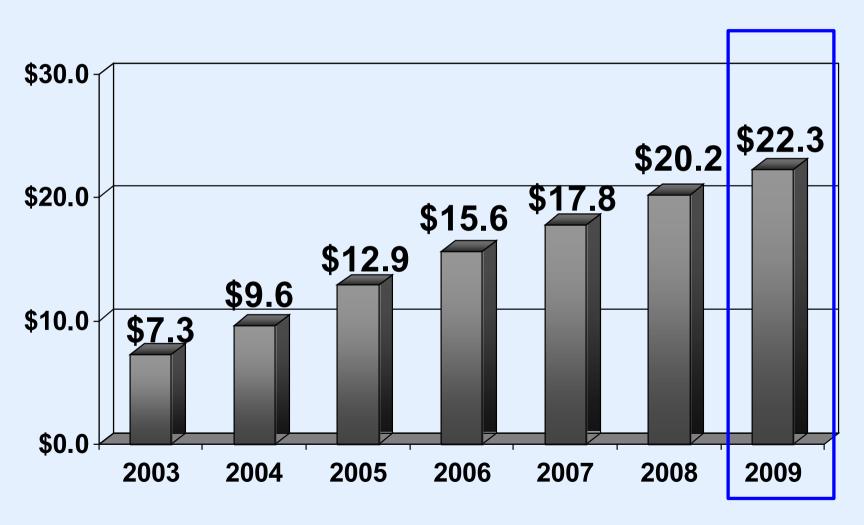
Source: Millward Brown, Advertising.com, Sept, 2004

#### Search marketing is big business!

- Many companies involved
  - Search consultants: SEO/SEM consultants do search marketing but nothing else
  - Traditional advertising agencies: Web ads (including search marketing) in addition to TV, radio, print
    - Might do SEO for organic search as well
  - Interactive advertising agencies: handling anything online
- Internet advertising in US was \$12.5B in 2005 [IAB report]



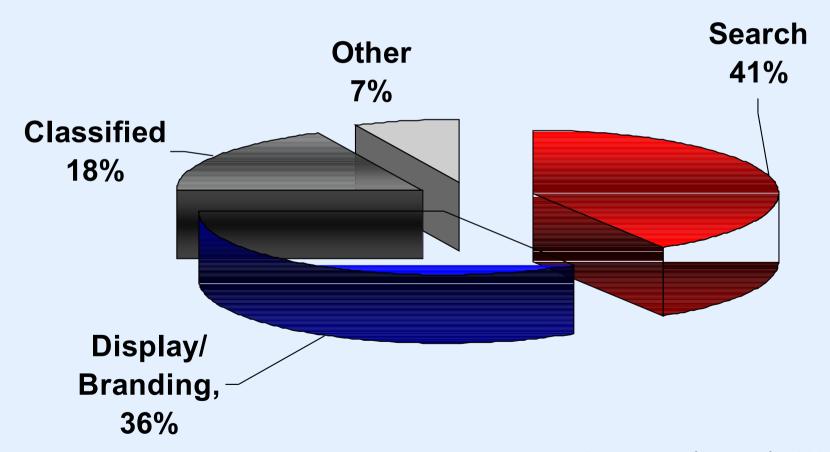
#### US Online advertising spending, in \$B



Source: eMarketer, 2005



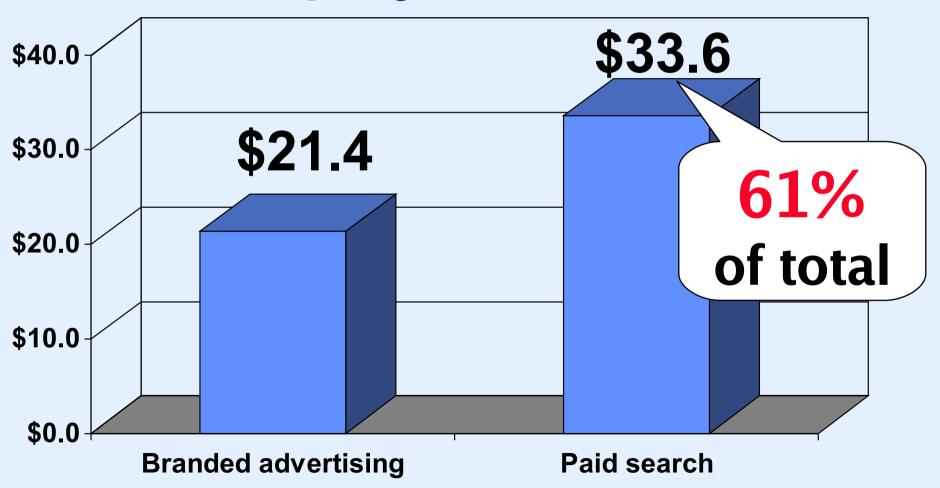
# US online ad spending, by format, 2005



Source: eMarketer, Feb., 2006



### \$55 billion global online ad market projected for 2010



Source: Piper Jaffray, December, 2005

#### The challenges of online success

- Multiple specialized web development teams
  - Webmasters, programmers, copywriters, graphics
- Multiple product sites
  - Separate brand names (competing!)
- Multiple audiences (interests, markets, etc.)
- Multiple countries (and cultures, languages)
  - Also true for search engines
- Multiple technologies
  - Web servers, content management, personalization

### The challenge of search marketing

- Attracting searchers is harder than many expect
- The larger your website, the more difficult

 The rest of this course will cover the issues and processes for successful search marketing