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
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**