Search Engine Marketing Trends
:: The Shift to SEO

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Search Engine Marketing Trends
The Shift to SEO

Presentation given by Andrew King of WebsiteOptimization.com as part of a discussion panel with Daniel O’Neil of purevisibility.com, Abbey Beardslee of myspace.com, and Linda Girard moderating of purevisibility.com at the IT Zone in Ann Arbor, Michigan on Nov 20, 2007.

http://www.annarborspark.org/

Explores the trends in search engine marketing and how budgets are shifting from traditional media to new media including the Internet. As PPC costs are rising, ad budgets are shifting toward natural search engine optimization.

Shows trends in ad budgets, search queries, metrics, meta tags, and the use of the weblogs to boost visibility.
SEM to Nearly Double by 2011


<table>
<thead>
<tr>
<th>Year</th>
<th>Amount (billions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2005</td>
<td>$5.8</td>
</tr>
<tr>
<td>2006</td>
<td>$9.4</td>
</tr>
<tr>
<td>2007</td>
<td>$11.5</td>
</tr>
<tr>
<td>2008</td>
<td>$13.3</td>
</tr>
<tr>
<td>2009</td>
<td>$15.0</td>
</tr>
<tr>
<td>2010</td>
<td>$16.8</td>
</tr>
<tr>
<td>2011</td>
<td>$18.6</td>
</tr>
</tbody>
</table>

Source: SEMPO 2007
Shift from Offline to Online Marketing

US Online Advertising Spending As a Percent of Total Media Advertising Spending 2001-2011

Source: eMarketer 2007

Online Ad Spending in Percent

<table>
<thead>
<tr>
<th>Year</th>
<th>2001</th>
<th>2002</th>
<th>2003</th>
<th>2004</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
<th>2010</th>
<th>2011</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>3.1</td>
<td>2.5</td>
<td>3.0</td>
<td>3.6</td>
<td>4.6</td>
<td>6.0</td>
<td>7.4</td>
<td>9.3</td>
<td>10.8</td>
<td>12.1</td>
<td>13.3</td>
</tr>
</tbody>
</table>
Why More SEM?

- Advertising budgets shifting to Net
- Shifting from TV, radio, newspapers, and yellow pages
- PPC prices rising (Google auto-pilot)
- More small/medium companies entering the market
- Growth of niche and local SEM
- Global growth
- More measurable metrics
Shift from Traditional to New Media

US Advertising Spending by Media (millions) 2006-2009

Source: eMarketer 2007

Online Ad Spending in Percent

- Television
- Magazines
- Newspapers
- Internet
- Radio
- Other
- Yellow Pages
- Outdoor
- Poly. (Newspapers)
- Poly. (Internet)
Shift from PPC to SEO

- PPC/SEO from 2.4 to 1.1 from 2007 to 2012
- PPC costs rising
  - ~6 times $1+ keywords in Jan. 2007 vs. Jan. 2006
  - Ave CPK rose 33% each month in Q1 2006
  - Ave CPC rose 55%/month Jan. 2006 to Jan. 2007

Source: Doubleclick 2007
PPC Costs Rising Over Time

![Graph showing the trend of cost per keyword and cost per click from January 2006 to March 2007. The graph indicates an upward trend in costs over time.]

Source: Doubleclick
How to Boost ROI?

- Make ad spend more efficient
- Optimize PPC campaigns
- Long term SEO equal to PPC (trend)
- Optimize everything with web metrics
- Optimize conversion rates
  - Web site optimizer (Google)
  - A/B/C split testing
  - Test, try, and retest
Search ROI vs. Other Tactics

Methodology: This fourth annual survey was opened to selected MarketingSherpa reader lists on June
Measuring Metrics

- 43% of marketers don’t/can’t accurately measure ROI from SEO (JupiterResearch 2007)
- Only 6-15% of companies are fully integrated (eMarketer, 2007)
- Basic metrics most used (traffic, impressions)
Measuring SEM Firms

What metrics do you track / measure / generally pay attention to gauge the success of Search Engine Marketing programs?

- Increased traffic volume: 73%
- Conversion rate: 71%
- Click-thru rate: 68%
- Return on Investment: 62%
- Cost per click: 61%
- CPA: 58%
- Total number of online sales: 49%
- Overall revenue increase: 47%
- Return on Adspend: 43%
- Boss' satisfaction: 37%
- Rank of link on SE: 34%
- Cost of generating sale offline: 28%
- Brand impact: 21%

Source: SEMPO 2006
Measuring Meta Tag Usage

Average Usage of Metadata Elements

<table>
<thead>
<tr>
<th>Metadata Element</th>
<th>Usage in Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Keyword</td>
<td>34.2</td>
</tr>
<tr>
<td>Description</td>
<td>31.8</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>10.7</td>
</tr>
<tr>
<td>Author</td>
<td>8.9</td>
</tr>
<tr>
<td>Copyright</td>
<td>3.2</td>
</tr>
<tr>
<td>Rating</td>
<td>2.6</td>
</tr>
<tr>
<td>Distribution</td>
<td>2</td>
</tr>
<tr>
<td>Language</td>
<td>1.8</td>
</tr>
<tr>
<td>Title</td>
<td>1.7</td>
</tr>
<tr>
<td>Resource Type</td>
<td>1.2</td>
</tr>
<tr>
<td>Publisher</td>
<td>1.1</td>
</tr>
<tr>
<td>Date</td>
<td>0.8</td>
</tr>
</tbody>
</table>

Source: Zhang & Jastram 2006
Meta Tag Trends

- Keywords (34.2%) description (31.8%) used most
- Title, *metadata Title*, Subject, and Description fields most important for SEO rankings
- 7.4% use Dublin core, less effective for SEO
- Only 1.7% use metadata Title, yet impacts SEO

Search Query Trends

How to Boost SEO Rankings?

- Fully optimize Title tags (up to 3 keywords)
- Build backlinks baby
- Build PageRank (see #2)
- Use Web 2.0/Social Media
- Fresh keyword-optimized content
- Stay out of Google “sandbox”
- Longer to reach top rankings 6 > 8-12 months
Spread of News in Blogistan

- Takes about one week for the average story to peak in links in the “blogistan” (Cohen 2006)
- Staged release may be more effective
- Blogs and RSS feeds are powerful for backlinks
- Press releases guarantee links
SEM Resources

- MarketingSherpa.com – Research firm
- SEMPO.org – SEM industry professionals
- eMetrics.org – Marketing conferences
- FutureNowInc.com – Conversion rate optimization
- SEOMoz.org – Ranking factors survey
- SearchEngineLand.com – Danny Sullivan
- Ann Arbor Spark (IT Zone) – annarborspark.com
- WebsiteOptimization.com/presentations/
References


