

**THE TRUTH  
ABOUT**

# PAY-PER-CLICK SEARCH ADVERTISING

“Search Engine Marketing  
is your psychic  
mailman delivering  
the perfect offer...”

Kevin Lee

Search Engine Marketing expert advisor on Wall Street

© 2009 by Pearson Education, Inc.  
Publishing as FT Press  
Upper Saddle River, New Jersey 07458

Portions of this book originally appeared as columns written by Kevin Lee and published by Incisive Media's *The ClickZ Network* ([www.click.com](http://www.click.com)). Used with permission.

FT Press offers excellent discounts on this book when ordered in quantity for bulk purchases or special sales. For more information, please contact U.S. Corporate and Government Sales, 1-800-382-3419, [corpsales@pearsontechgroup.com](mailto:corpsales@pearsontechgroup.com). For sales outside the U.S., please contact International Sales at [international@pearsoned.com](mailto:international@pearsoned.com).

Company and product names mentioned herein are the trademarks or registered trademarks of their respective owners.

All rights reserved. No part of this book may be reproduced, in any form or by any means, without permission in writing from the publisher.

Printed in the United States of America

First Printing February 2009

ISBN-10: 0-7897-3832-5

ISBN-13: 978-0-7897-3832-5

Pearson Education LTD.  
Pearson Education Australia PTY, Limited.  
Pearson Education Singapore, Pte. Ltd.  
Pearson Education North Asia, Ltd.  
Pearson Education Canada, Ltd.  
Pearson Educación de Mexico, S.A. de C.V.  
Pearson Education—Japan  
Pearson Education Malaysia, Pte. Ltd.

Library of Congress Cataloging-in-Publication Data

Lee, Kevin.

The truth about search engine advertising / Kevin Lee.

p. cm.

ISBN 978-0-7897-3832-5

1. Internet advertising. 2. Internet marketing. 3. Web search engines. I. Title.

HF6146.I58L438 2009

659.14'4--dc22

2008051425

**Publisher**

Paul Boger

**Associate Publisher**

Greg Wiegand

**Acquisitions Editor**

Rick Kughen

**Development Editor**

Rick Kughen

**Technical Editor**

Amanda Watlington

**Technical Reviewer**

Gordon Hotchkiss

**Marketing Coordinator**

Judi Taylor

**Cover and Interior Design**

Stuart Jackman,  
Dorling Kindersley

**Managing Editor**

Kristy Hart

**Senior Project Editor**

Lori Lyons

**Copy Editor**

Water Crest Publishing, Inc.

**Design Manager**

Sandra Schroeder

**Senior Compositor**

Gloria Schurick

**Proofreader**

San Dee Phillips

**Manufacturing Buyer**

Dan Uhrig

TRUTH

38

Beaten at your own name:  
Buying your brand



Are you getting beaten by your own name? Buying your own brands and trademarks in PPC search can present a serious strategic dilemma, particularly when that brand as a keyword ranks number one in organic search. This is something mega-marketer Procter & Gamble faces with one of its largest brands, Head & Shoulders shampoo. Searchers using this term will see several organic listings (one from P&G's international site, another from a U.S.-based site, and a listing from Wikipedia). I'm sure that P&G would rather have searchers go to the site most likely to persuade searchers of Head & Shoulders' virtues, but by relying on an organic-only strategy, it cedes this all-important decision to Google, Yahoo!, and Microsoft.

All search engines recognize a site with sufficient quality content might deserve two organic result slots. This might also be the case for those who put time and energy into building sites to be search-engine friendly so that they are full of useful, relevant content.

When deciding between paid and organic, you can consider the situation as you might with real estate: More is better. Yet given a fixed budget, many marketers assume with one or two organic links, searchers will find those links and click. Those marketers prefer to allocate their search budget to generic or nonbranded product/service keywords that describe either the problem solved or other relevant ideas. The thinking goes, "Better to spend money acquiring new customers who don't yet feel strongly enough about my brand to search for it by name."

Sometimes, that line of reasoning makes sense. But there are some critical issues to consider if you struggle with whether to buy your brand name in PPC search, as follows:

When deciding between paid and organic, you can consider the situation as you might with real estate: More is better.

- **Does your competition buy your brand keyword?** If so, you risk losing customers who thought enough of your brand to actually search for it. That search might even have been the result of your on- or offline advertising that piqued curiosity.

- **Does your retail or reseller channel buy the brand keyword?** If so, it might seem like good news because you'll get the order through the channel. But if your resellers and retailers aren't in an exclusive relationship with you, you risk a cross-sell to the competition, even on your licensed retailer's site. This is very common in the travel business, where a searcher is indifferent to the subtleties between three hotel brands she considers a close match in amenities, service, and other attributes. One brand's search transforms into another brand's booking. The same could occur with Head & Shoulders if drugstore.com is a bidder in all three top PPC engines and enables visitors to link to the "Hair Care" category from the Head & Shoulders results page. Even a modest cross-sell makes sense for the merchant if it pays for the click.

...if your resellers and retailers aren't in an exclusive relationship with you, you risk a cross-sell to the competition, even on your licensed retailer's site.
- **Do your affiliates buy your brand keyword?** If you let your affiliates buy your brand keywords instead of buying them yourself, you give your affiliates a *huge* gift. Affiliates often make a five-to-one return on buying brand keywords. For every \$5 you pay them, they pay only \$1. Flip it around. You overpay by a factor of five for the orders or leads the affiliate generates.
- **Do you feel lucky or do you want control?** The search engine will pick a page to suggest to the searcher, use that HTML Title tag, and then select some copy from your body or description meta data. Is that the message you want people to see? Will the organic link's landing page provide the highest conversion? Subpar front- and back-end messaging can confuse a searcher or derail a sale. PPC listings help control at least one message and user experience invoked by the searcher by clicking on a listing.
- **Do you want to bifurcate your audience or engage in self-selection filtering?** People responding to and engaging with organic links might represent a discrete population from those selecting paid links. Similarly, different customer clusters

might respond to promotional messaging versus educational messaging. With paid search's controllability, you can provide options so that people can self-select.

- **Is regional message control important?** PPC search provides a high level of geographic message control. Search is the first medium in which channel conflict is so pronounced that the conflict level often reaches across company departments and can involve regional aspects as well (due to distribution agreements).
- **Do you have a negativity problem?** Some brands have a problem with unhappy users posting poor reviews or even "sucks" pages. Paid listings appearing on top of the organic results can push negative pages lower on the results page.
- **Do you understand the interaction effects between organic and PPC?** Run simple cannibalization tests by pulse-testing your paid listings on brand terms. You measure the incremental cost of acquiring leads, clicks, and purchases through paid listings, even if there is some cannibalization of organic traffic. By focusing on the marginal ROI or profit, you can get a better handle on brand search's real value. Even a good pulse test measure of cannibalization doesn't always tell the whole story. The customer purchase cycle often includes two to six (or more) searches, according to a comScore/DoubleClick study. Paid and search clicks occur all the way through the decision process; some are paid, some are organic, but all might influence a final purchase. Consider a more in-depth test across organic and paid traffic to gain a better understanding of your brand name's incremental value as a search term.

Traffic from your brand keywords is the most valuable to you, the brand owner, but it's also valuable to your competition and reseller or retail channel. A person who types in a brand name is much more likely to know exactly what she wants, but she might be open to suggestion. Don't get beaten on your own name and lose this customer.

